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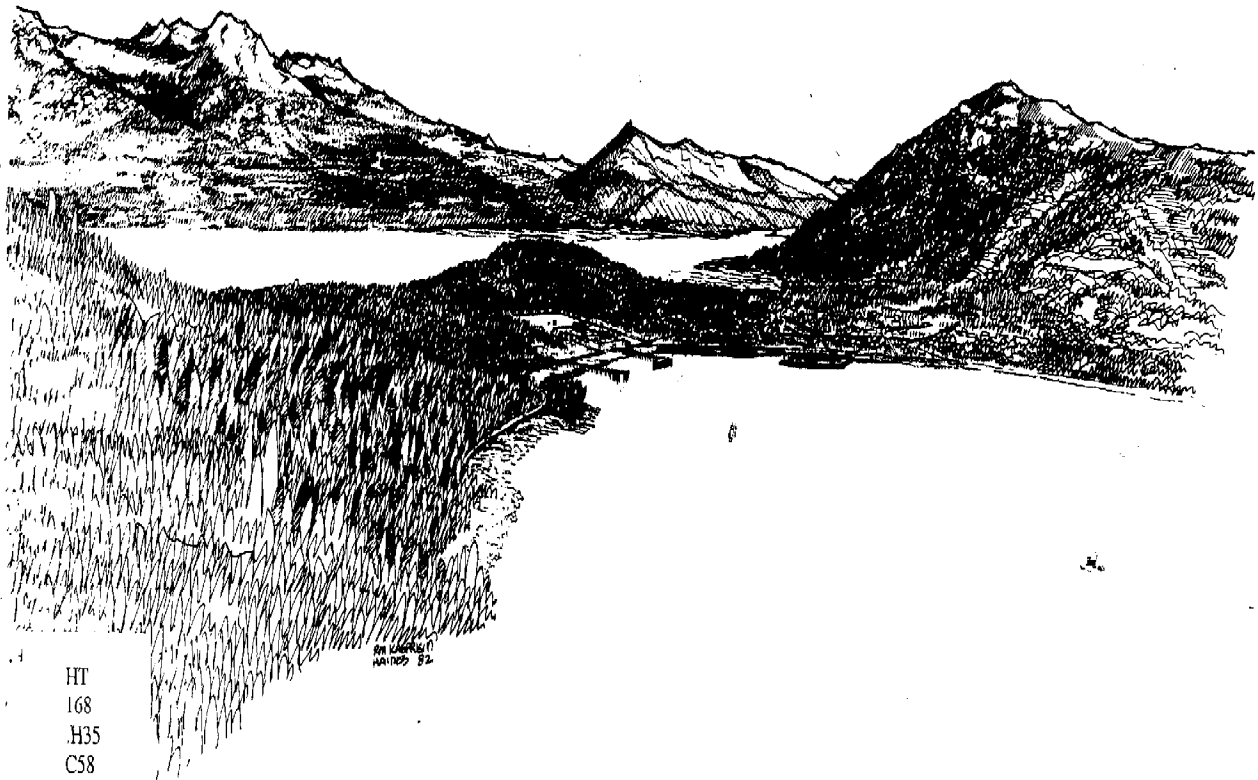
city of haines  
port chilkoote/  
portage cove,  
area meriting  
special attention  
haines, alaska

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1982

A 2000' Coastal Management Program

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BY KAREN  
HAINES 82

# letter of transmittal

10 August 1982

The Honorable Jon D. Halliwill  
Mayor, City of Alaska  
Haines, Alaska

Sir:

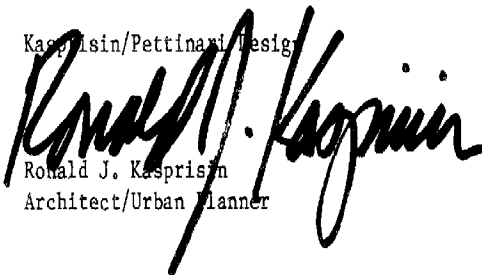
We take great pleasure in submitting herewith the City of Haines Port Chilkoot/Portage Cove AMSA waterfront design study. This report presents our design team's data and findings over the last six months working with you and the community.

We are confident that the report presents a realistic future for the Area Meriting Special Attention. Recent actions by the City of Haines authorizing the implementation of specific projects is a clear indication of the City's support and enthusiasm regarding the economic and physical well being of the community. The report is designed to be a guideline for design, a promotional tool for the community as a whole, and as a resource for future project implementation. We trust that we have fulfilled the charge given to us by the City and look forward to seeing the concepts presented in the report becoming reality.


We also appreciate and wish to recognize the involvement of the City Council, City Planning Commission, City Staff and the many local residents who participated in our meetings and workshops.

Sincerely,

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Port Chilkoot/Portage Cove  
Area Meriting Special Attention  
Haines, Alaska

A Waterfront and Redevelopment Project

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Local Residents, Property Owners and  
Interested Citizens

## acknowledgements

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Leighton A. Bennett but for whose efforts many of the  
aerial sketches would not have been possible.

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# purpose and use of this document

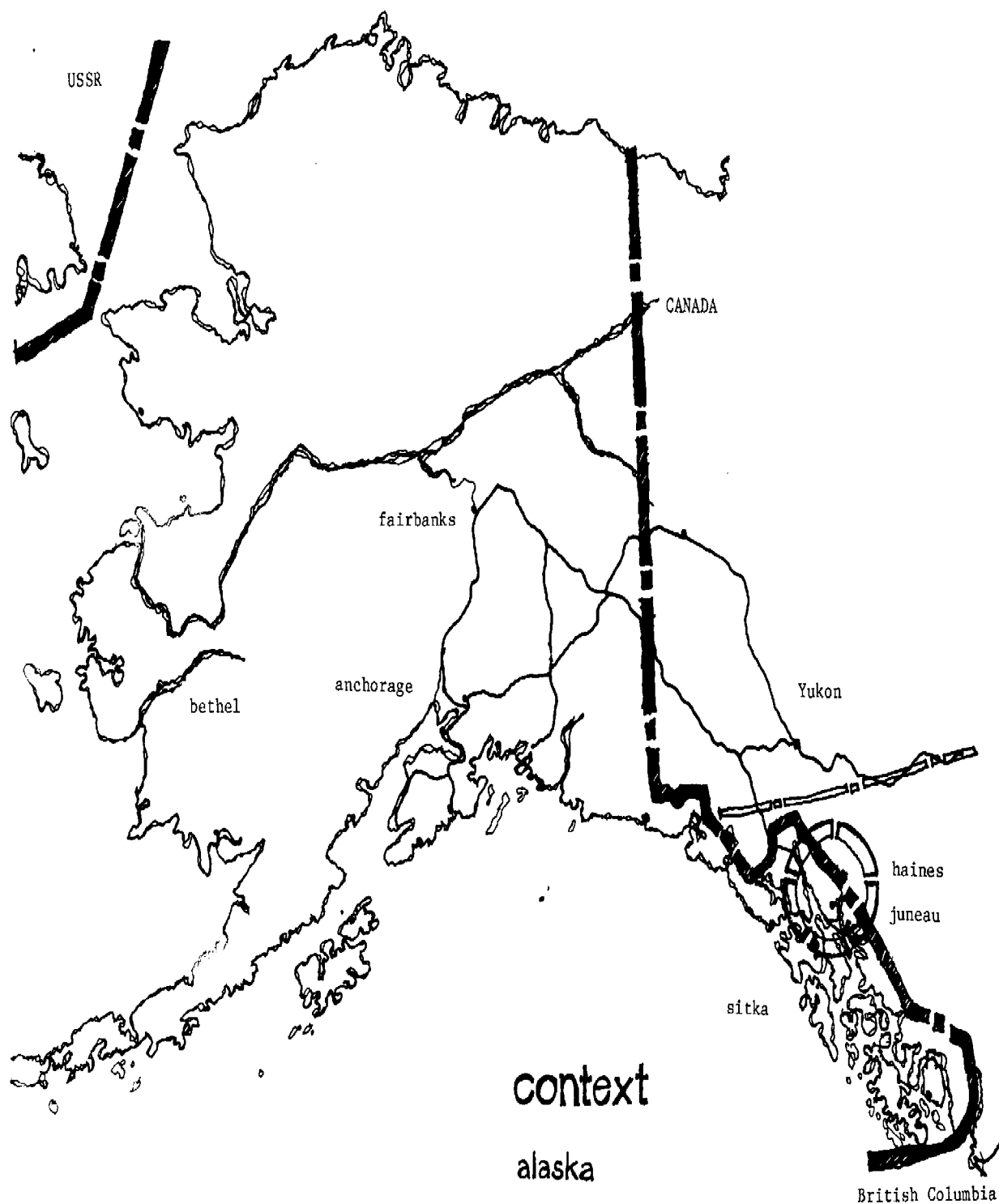
## Purpose and Use of This Document

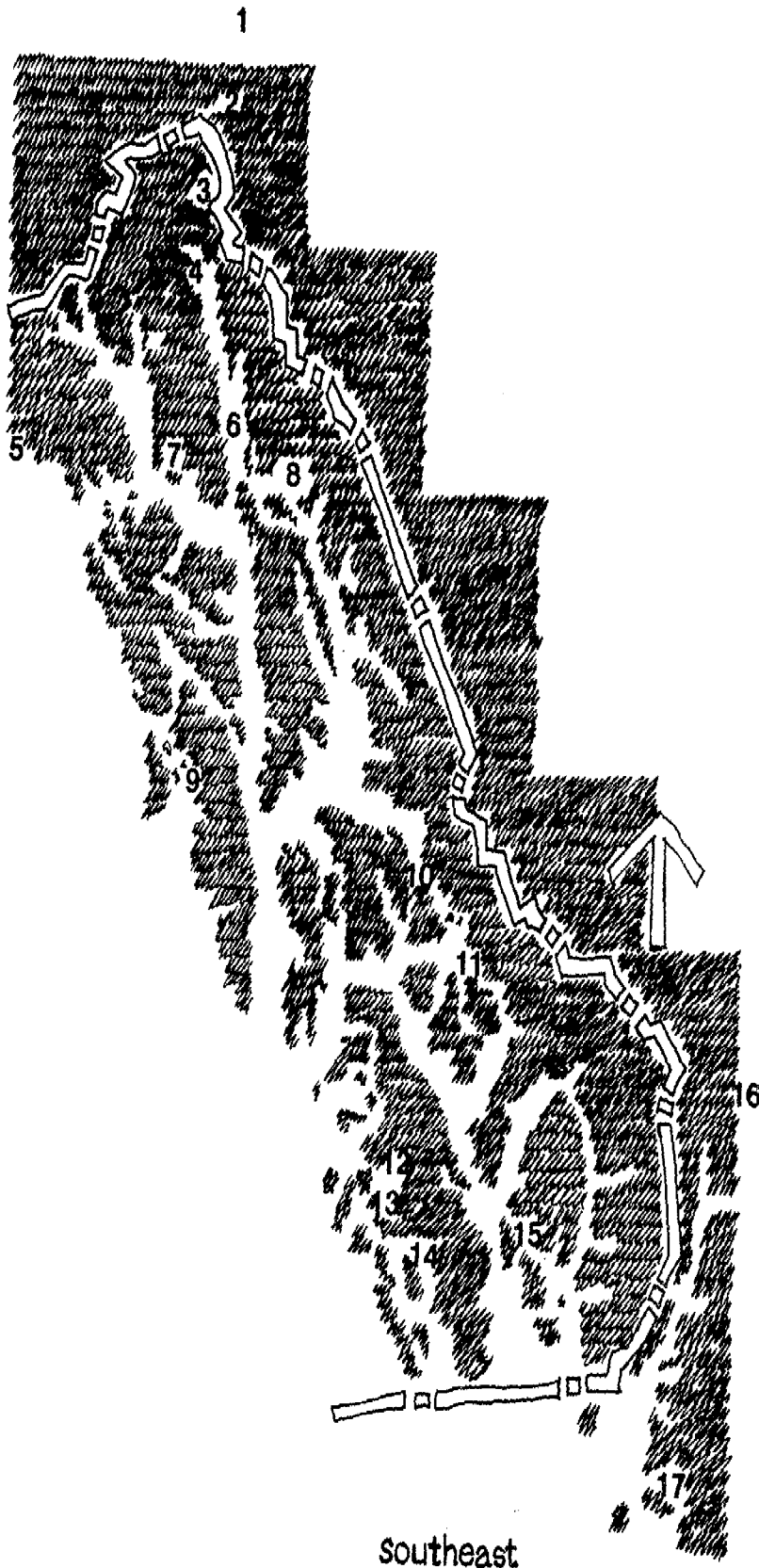
The purpose of this document is to identify, describe, and prioritize specific waterfront public access and public recreation projects capable of being built on public lands. These projects will serve as impetus and direction for private developers and owners. In addition, guidelines and design suggestions are presented within the document for private development within the Fort William H. Seward complex. While more dependent on market conditions and local and regional economics for capital expenditures, landowners should benefit from the objective to present an atmosphere of coordinated development and mutual benefit for public and private sectors.

In order to maximize this document for the benefit of the City of Haines, its image, employment and economy, the following uses are suggested:

- the report should be adopted as an integral part of the City of Haines Comprehensive Plan;
- the report should be circulated to the library and school system for public access;
- copies of the entire document should be sent to state legislators; pertinent committees in the legislature; the University of Alaska, Office of Facilities Planning and Construction; private foundations; and, the State of Alaska Division of Tourism as documentation regarding the present and future efforts by the City of Haines to improve and enhance the economic, socio-cultural and physical aspects of the City;
- the chapters dealing with the SPECIAL DESIGN DISTRICTS are in a format permitting each chapter to be used as a separate report, enabling each to be used for promotional purposes and as documentation for future funding requests;
- finally, the report should become a necessary tool for the private sector in guiding development ideas.

# introduction





- 1 British Columbia, CANADA
- 2 beckett
- 3 skagway
- 4 HAINES
- 5 glacier bay national park
- 6 lynn canal
- 7 gustavus
- 8 juneau
- 9 sitka
- 10 petersburg
- 11 wrangell
- 12 klawak
- 13 craig
- 14 hydaburg
- 15 Ketchikan
- 16 US-CANADA BORDER
- 17 prince rupert

In developing and adopting a coastal management plan for the City of Haines, the City Council designated the Port Chilkoot vicinity of Portage Cove as an Area Meriting Special Attention (AMSA). The Alaska Coastal Management Act provides for this type of designation of geographic areas with extraordinary cultural or physical values. Designation of the Port Chilkoot/Portage Cove area as an AMSA has provided the City of Haines additional funding from the state to sponsor a detailed development plan for the area. The plan provides a forum by which community residents, property owners, city officials, and funding agencies can come to a consensus on a program of development projects, public investments, and Land Management guidelines to take best advantage of the area's extraordinary values.



haines area



The Port Chilkoot/Portage Cove AMSA consists of 66 acres of upland properties and about 46 acres of adjacent tidelands. Located adjacent to the business center of Haines and on the Portage Cove waterfront, the study district include the Haines small boat harbor and Litering Floats, Port Chilkoot Dock, the Chilkoot Center for the Arts, Fort William H. Seward parade grounds, residential and commercial properties in the Fort Seward area, Port Chilkoot Camper Park, the Chevron tank farm, Haines Senior Citizen Center, Tlingit Park, Portage Cove Cemetery, the Presbyterian Mission Reserve and Church, and the Sheldon Museum and Cultural Center.

This final report covers work accomplished through three phases of the Port Chilkoot/Portage Cove project. Phase I of the study focused on development of baseline economic, transportation, and social profiles of the City of Haines and the study area and initial formulation of development goals and objectives for the AMSA. These were summarized in a Phase I report prepared in March, 1982. Phase II of the project identified and analyzed physical, economic, and other major land use determinants applicable to the AMSA, prepared and evaluated site plan alternatives incorporating a variety of projects to accomplish AMSA development goals and objectives, and presented a preferred site plan and land use management recommendations. These were presented in a document prepared during May and June, 1982. This Phase III report highlights pertinent findings from early reports and presents an implementation plan for the development projects and land use guidelines finalized as a result of Phase II.

The guidance in formulating goals, objectives, site development projects, and implementation considered for inclusion in the final plan was contributed by the many Haines residents, AMSA property owners, city officials, and local business representatives who participated in each phase of the project. They include people who attended one or more of several project presentations made to community groups and four public workshops held in February, March, May, and July. In addition, many persons met informally with members of the project team during this period.

#### COMMUNITY GOALS TO GUIDE DEVELOPMENT IN THE PORT CHILKOOT/PORTAGE COVE AMSA

The process by which the community and study team formulated goals to guide development in the AMSA involved a series of meetings and workshops held from

late January through March, 1982. The meetings in January generated numerous comments by participants about the project area and its development potential.<sup>1</sup> A thorough assessment of these comments combined with a review of city planning documents identified four types of concerns people have about the area:

- economic enhancement;
- use of areas within AMSA by community residents;
- retention of suitable land for future industrial development; and
- preservation and development of the area's historic values.

These general goal statements along with a listing of comments were subjects of graphic and oral presentations at subsequent meetings with groups and individuals and at public workshops held in mid-February and late March. Each successive set of meetings triggered more extensive and detailed discussion of goals, of how goals apply to the area in general and to specific properties within the AMSA, and of specific development projects and land use considerations that either merit or do not qualify for inclusion in later phases of the study.

By this process of reiterative discussion, participants at meetings and workshops refined directions given the project team and guided formulation of a preferred site plan and land management recommendations. These refinements, including one additional goal statement, are summarized here.

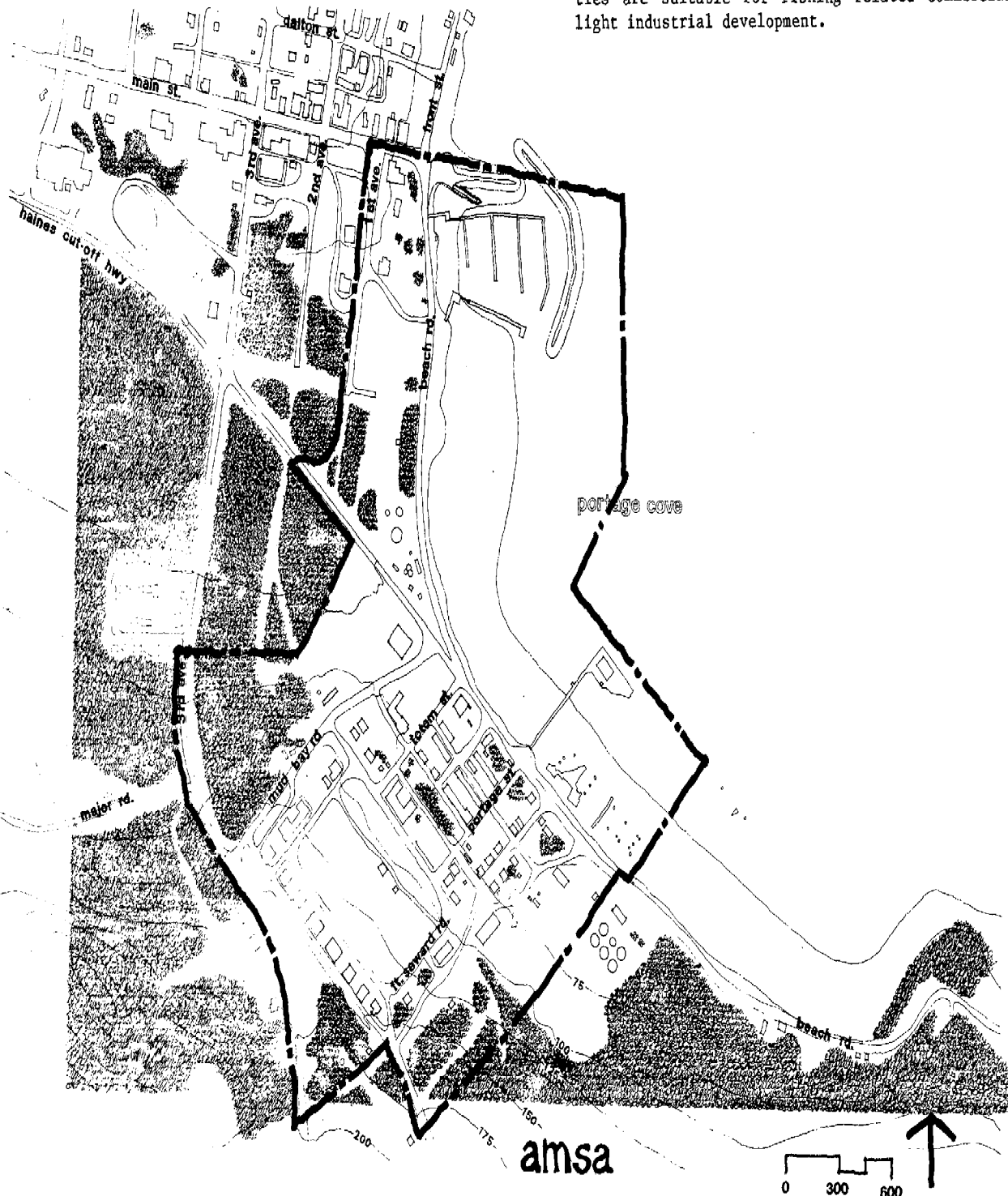
Economic Enhancement. Three major considerations are incorporated in this general goal. First, the waterfront, Fort William H. Seward, Sheldon Museum and Cultural Center, the Chilkoot Center for the Arts, the area's scenic values, and other art and cultural assets of the AMSA combine to form perhaps the Haines area's foremost visitor attraction. At present, tourism in Haines falls short of its existing potential as a major component of the Haines economy. This is, in part, due to a lack of concerted community effort to provide facilities, activities, and accommodations to attract visitors, or at least to encourage and enable travelers through Haines to stop, enjoy the area, and trade with local merchants. Development projects within the AMSA can aim at promoting and increasing tourism in Haines.

<sup>1</sup> See Phase I report for listing of comments and Phase II for a more detailed discussion of the goal statements.

Second, the economic enhancement goal addresses the problem of the business center of Haines not being effectively linked with the recreational and cultural center located in the Port Chilkoot area. Both areas would benefit if projects are designed and constructed that, in effect, invite and guide people from one area to the other. The downtown and Port Chilkoot are in

such close physical proximity to each other that facilities encouraging and enabling pedestrian movement through the AMSA should be feasible and beneficial.

The third consideration recognizes the area's importance to the Haines fishing industry. In addition to use of the small boat harbor by resident and transient fishing fleets, certain undeveloped tideland properties are suitable for fishing related commercial or light industrial development.



Use of Areas Within AMSA By Community Residents. Approximately one-half of all designated public use lands in the city are located within the Port Chilkoot/Portage Cove AMSA, a condition highlighted in meetings and workshops where development goals for the area were discussed. Most participants appear to perceive tourist and resident use as compatible in many areas in the AMSA; but, for some specific areas, use by community residents was expressed to be the paramount concern that ought to guide development planning. Such areas included Tlingit Park, the beach adjacent to Port Chilkoot Dock, Fort Seward parade grounds, and other designated open space.

Retention of Suitable Land For Future Industrial Development. Upland properties in blocks adjacent to Beach Road in the Fort Seward area are physically and locationally suitable for a wide variety of industrial and commercial developments. At the same time, they are prominent parts of the visual and access corridors that link Fort Seward historical buildings to the Haines waterfront. Consequently, types and scales of future development in this area can either reinforce or seriously mar the existing fort setting which is a foremost asset in the community's visitor trade. This potential conflict between tourism and other types of commercial and industrial uses in the area stirred long and intense discussion at the public workshop held in late March.

Agreements reached by the end of the meeting and reiterated at a workshop in early May set forth two goal considerations pertaining to future development in the lower fort area along Beach Road. First, participants agreed that opportunities for development of mixed commercial and industrial uses in this area should not be discouraged. In this regard, land management recommendations will not be aimed at regulating uses. Second, in recognition of the focal importance of the area to the fort's setting, it was allowed that some building design guidelines might be conditionally supported. The major condition is that the design guidelines do not impose financial hardships on property owners either through causing devaluation of their properties or through added costs of future development.

Preserve and Enhance The Fort Seward Area's Historic Values. Growth in visitor-related activity in Haines has not kept pace with increases in tourism in Alaska and other southeast communities. For the Haines community, tourism differs significantly from other major industries. Levels of activity in the timber, commercial fishing, and transportation sectors are highly subject to market and resource conditions over which the local community has little control. In

contrast, an established and sizeable visitor traffic through Haines already exists. Expanding the extent of trade with travelers as well as offsetting recent declines in the proportion of travelers in Southeast Alaska routing through Haines primarily depends upon the community's resolve to develop and market its tourism assets. While the historic importance of Fort William H. Seward and its role in the Haines economy cannot be specifically qualified, existing fort structures combined with cultural and artistic attractions and accommodations currently available in the AMSA are prime tourism assets. Special steps to protect and enhance the economic value of the fort to the community are merited.

Preserve Open Space Areas Within the AMSA. This consideration, stressed on many occasions during meetings and workshops, generally concerns developing playgrounds or other public facilities at Tlingit Park and the Fort Seward parade grounds. This point was not raised typically in opposition to any additional development of open space areas, rather it was to advocate keeping the number and size of facilities scaled down and designing them to minimize loss of valuable open space.

# factors influencing development

## FACTORS INFLUENCING DEVELOPMENT AND LAND USE IN THE AMSA

Community goals for the Port Chilkoot/Portage Cove AMSA directed the process of formulating future development and land use objective. A range of factors, both internal and external to the area, shaped the process by posing constraints, presenting opportunities, and highlighting community wide concerns. Those factors found to be of greatest significance to the area's development future include existing property ownership, zoning, land use, physical parameters, existing and potential contribution to the Haines economy, features of regional significance, and policies affecting the AMSA adopted by the community through previous planning efforts.<sup>2</sup>

Land Status. The Port Chilkoot/Portage Cove AMSA constitutes about six percent of the land area and 21 percent of the tidelands within the corporate boundaries of the City of Haines. The City of Haines owns more than three-quarters of the tidelands area including the small boat harbor. Two tidelands lots are privately owned. Of the 65.6 acres of upland property, 68 percent is in private ownership, one-quarter is public use (tax exempt) land, and the remaining seven percent is owned by the city. One striking feature of land ownership patterns within the AMSA is the relatively high concentration of the community's public use lands. Whereas the percentages of privately owned and city owned properties within the AMSA are comparable to the amounts of each throughout the City of Haines, one-half of all designated public use lands in the city are located within the AMSA. Public use areas include the parade grounds at Fort William H. Seward, the Chilkoot Center for the Arts, the Presbyterian Mission Reserve, harbor facilities, Tlingit Park, and the beach area north of Port Chilkoot Dock.



<sup>2</sup>These factors are discussed in more detail in the Phase II draft report.

There are a total of 142 parcels in the Port Chilkoot/Portage Cove AMSA. Of these, slightly more than one-half, 78 lots, are owned by 44 individuals or families, 33 are owned by eight corporations, 14 by religious institutions, and 17 by local or state government. These breakdowns highlight a difficult challenge confronting coordinated development planning for the AMSA: there are many decision makers with separate and frequently divergent interest in the study area.

Existing Land Uses. The land area of the Port Chilkoot/Portage Cove AMSA constitutes about six percent of the total land base within the City of Haines. In total, about 44 percent of the land area is committed to developed uses, 23 percent is designated open space, and the remaining third of the area is vacant. Developed uses within the AMSA include commercial and industrial businesses, single family and multifamily residences, public use facilities, and a number of miscellaneous structures.

The 5.2 acres of commercial properties within the AMSA constitute about 39 percent of the acreage city wide in commercial use. Commercial activities within the AMSA include the Halsingland Hotel, Mountainview Motel, two businesses located in the S & W, Inc. building, the Post Exchange Restaurant, Sabek Expeditions, a private campground, and the tribal house in the Fort Seward parade grounds.

AMSA land in light industrial and storage uses include Lutak Trading Company and its associated lumber company, Fort Building #37, the quonset hut, Chuck's Body Shop, a workshop, and the Alaska Indian Arts Building. Some old fort structures are used for storage but are classified here as miscellaneous structures. Light industrial/storage uses occupy 3.1 acres, about 15 percent of the acreage occupied by these types of uses throughout the city.

The Chevron tank farm is the only heavy industrial use in the AMSA. It utilizes about 1.9 acres. This is one-quarter of the land within city boundaries having heavy industrial use.

Public use facilities include the Sheldon Museum, the senior citizen center, the Presbyterian and Port Chilkoot churches, and the Chilkoot Center for the Arts. These occupy 4.3 acres and represent about 36 percent of the land within the city in comparable uses.

There are 18 single family and 10 multifamily residences in the AMSA. Together, these account for 7.1 acres of AMSA land currently developed. The number of acres in use for single family residences is proportional to the number city wide: slightly more than six percent of the acreage developed as single family residences is located within the study area. In contrast, 40 percent of the land within the city used for multifamily housing is within the AMSA. The multifamily structures provide a total of 25 dwelling units. In addition, there are nine apartments or living units with structures having other principal uses.

Economic Development Considerations. Four major industries constitute the basic sector of the private economy of Haines: forest products, commercial fishing, transportation and tourism. Together, these industries provide about 56 percent of local nongovernment employment, an estimated 180 of 324 jobs. In addition to direct employment and income, these activities generate additional jobs and income in other sectors of the Haines economy through their purchases from other local firms and through household expenditures of the wages and salaries workers employed in basic industries earn.

In evaluating economic considerations for the purpose of formulating development and land management plans for the AMSA, two key issues need to be resolved. First, to what extent and how different basic economic activities pertain to the AMSA needs to be identified. Second, economic conditions that can be substantially affected by actions initiated at the community level need to be distinguished from those over which there is little local control or influence.

In general, timber harvest, processing, and shipping activities do not directly affect the AMSA. The mills are located outside the city and the AMSA is away from roads used for transporting logs and products. The AMSA offers few prospects for assisting timber related activities due to a lack of land and deep water docking facilities suitable for this type of use and due to the concentrated use of Portage Cove by fishing vessels and pleasure boats.

The Port Chilkoot Dock and the Haines small boat harbor are marine transport facilities located in the AMSA. Port Chilkoot Dock, controlled by the White Pass and Yukon Railroad Company, is used through lease agreements by Standard Oil Company and the City of Haines. Standard Oil uses the dock to offload petroleum from a barge. The city's lease and subsequent

repairs to planking on the dock enables its use for passenger unloading from and loading onto cruise vessels which began calling at Haines this year.

Historical use of Port Chilkoot Dock has included receipt and shipment of light freight. A policy in the Haines Coastal Management Plan recommends use of the dock and associated Port Seward warehouses "for light industrial and commercial purposes which would not distract from the historic, scenic, and maritime flavor" of the area. With this exception, it is city policy to encourage continued concentration of water transportation activities at deep water port facilities in Lutak Inlet. Given the superiority of port conditions and cargo facilities at the municipal dock in Lutak Inlet over conditions in Portage Cove, and given that Lutak Dock is underutilized, future increases in most types of waterborne cargo shipments to and from Haines will have little direct bearing on activities in the AMSA.

The Haines small boat harbor principally provides moorage facilities for the local gillnet fleet, other fishing vessels, and a few pleasure craft. It accommodates seasonally a large concentration of vessels fishing in Upper Lynn Canal and other transient boats. Use of the harbor exceeds its 148 vessel design capacity during peak periods but it is underutilized during other portions of the year. Due to its high level of use in peak periods, future expansion of its moorage facilities is a persistent topic of discussion. Some additional moorage facilities could be provided in Portage Cove by connecting moorage floats to the Port Chilkoot Dock. Due to the amount and difficulty of dredging required, costs associated with a major new expansion of the small boat harbor are prohibitively high.

The Alaska Yukon Motorcoaches Service based in Haines at the Halsingland Hotel is another transportation activity in the AMSA. Alaska Yukon Motorcoaches conduct package tours between Haines and other Alaskan and Canadian communities. Alaska Yukon Motorcoaches and two local travel services -- Mar-Air Bus Company and Travelot Travel Agency -- run sightseeing tours within Haines and the AMSA. These activities respond to influences affecting tourism in Haines which are discussed later in this section.

Port and shore activities related to commercial fishing are centered at the Haines small boat harbor in the AMSA. Since 1971, there has been no fish processing plant operating in Haines; fish harvested in Upper Lynn Canal are delivered by vendors to

processing facilities in Excursion Inlet, Juneau, Petersburg and Ketchikan. Although locational disadvantages and resource limitations effectively bar a major processing plant locating in Haines, local interest in establishing a small freezing/cold storage facility is high. Several sites in the AMSA appear to be suitable for this type of use.

Tourism. Trade with visitors to Haines from other areas of Alaska, other states, Canada and other countries is so pervasively associated with the Port Chilkoot/Portage Cove AMSA that one assessment residents make about practically every site, facility, and activity occurring within the area is whether it benefits or detracts from tourism. This does not suggest a solidarity of support for the industry. Ardent backers acknowledge it is a low wage, highly seasonal sector of the economy. Some people frankly dislike tourism: the spurts of visitors crowding into town, increased traffic, littering, upward pressures in local prices, hearing complaints made about Haines by strangers who are not enjoying the area.

On the other hand, tourism adds to the job base, represents economic diversification that helps to offset impacts of bad years in other basic industries, pulls outside dollars into local circulation and is a long term growth in industry statewide. Although it is highly seasonal, by providing jobs for unskilled and parttime workers, it contributes to broad base of household incomes. The almost automatic practice of weighing effects of tourism does not speak to the pros and cons of the industry, it communicates only that tourism is the central economic feature of properties and facilities located in the area designated for special attention in the Haines Coastal Management Plan. This means that a key to assessing development projects in the AMSA and land management recommendations is their effects on visitor trade.

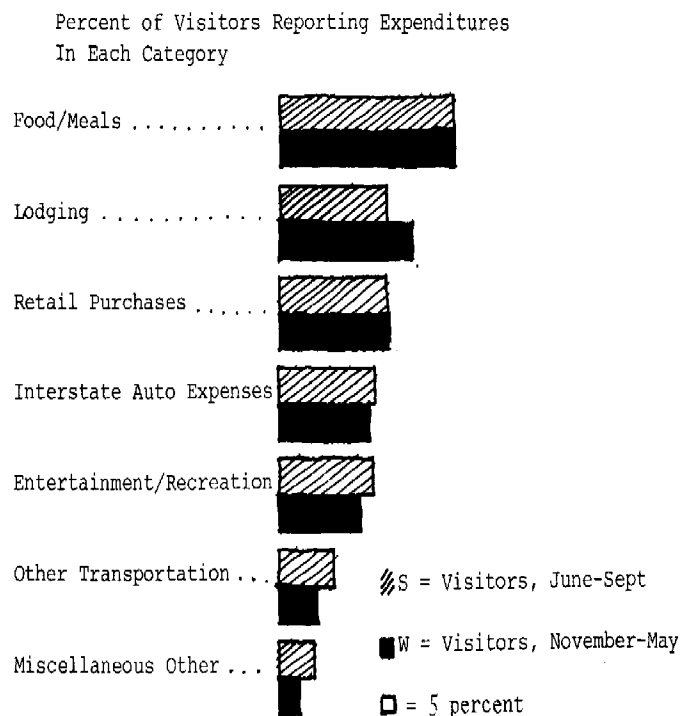
An estimated 63,000 visitors came to Haines in 1980. Of these, about 62 percent came from out-of-state and the remainder from Alaska. Of the 39,000 out-of-state tourists, 78 percent arrived within the four month period from June through September. An estimated 24,000 visitors were from other places in Alaska. The travel flow of in-state visitors is smoother throughout the year, only increasing by several hundred a month in the June through September period over its monthly average of 1,800 in-state visitors for the remainder of the year.

Based on two surveys of out-of-state visitors conducted for the State of Alaska during 1976-1977, a profile of visitor expenditures broken down into seven categories is developed to represent typical visitor expenditure patterns in Haines. The statewide data was modified by removing expenditures on transportation to and from Alaska, by increasing the percentages of people reporting expenditures in each category except retail sales to remove most of the people traveling on organized tours, and by proportionally increasing expenditures per visitor reporting spending in each category in correspondence with the previous change. The results are illustrated in the accompanying graphic wherein the dollar amounts are adjusted to 1982 values using a nine percent annual rate of inflation. This graphic depicts both the percentage of visitors reporting any spending in each category and the average amount spent per day per visitor reporting purchases of the respective goods or services.

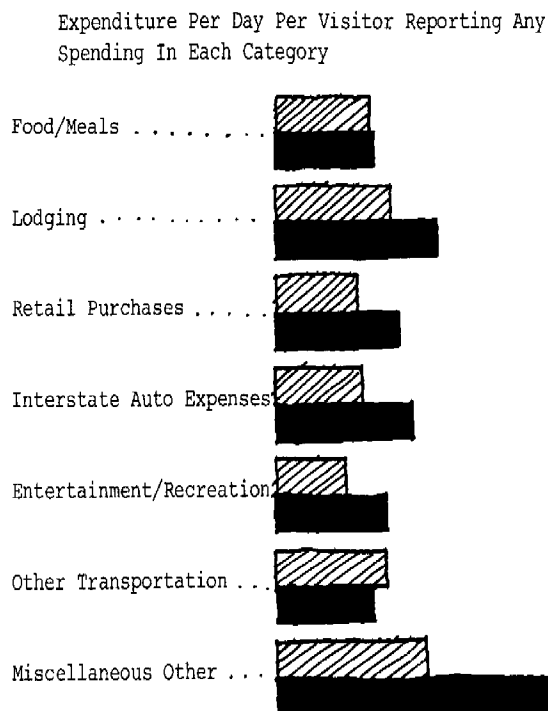
Both the percentages of people reporting expenditures in each category and the daily amount spent reflect a variety of travel circumstances including people visiting relatives or friends, camping out rather than staying in hotels or motels, purchasing food items in

grocery stores rather than restaurants, etc. For example, more than one-third of the summer travelers and forty-one percent of the out-of-state visitors during the rest of the year spent an average of 18 and 19 days, respectively, their stays in private residences. These proportions in large part explain the apparently low percentages of people reporting spending on food and lodging and the correspondingly low dollar amounts of daily expenditures in the categories.

Haines offers accommodations, attractions, goods and services representing each type of visitor expenditure. In the absence of area specific information of this type, these adjusted statewide characteristics are used to approximate visitor spending patterns in Haines. The estimated number of visitors to Haines in 1980 totalled 39,300 between June and September and 23,700 during the remainder of the year. For a hypothetical one day stay and using weighted averages of daily expenditures per all visitors expressed in 1980 dollars -- \$19.05 and \$24.85 respectively for the two seasonal periods, these visitor levels would inject about \$1,337,600 into the local economy during the year.



Source: Visitor Census and Expenditure Survey, Winter and Summer, 1976-1977, Parker Research Corporation, March 1978.



Implications of an average one day stay also can be viewed in terms of employment. In 1980, wages for a typical tourist related job in Haines equalled \$720 per month. For retail and services firms in Haines, wages paid employees represent about 18 percent of gross sales. If tourist related jobs average about six months in duration, about \$48,000 of visitor expenditures generate the equivalent of one year round job; thus, \$1,337,600 would generate approximately 28 position. Note that the number of jobs are stated in terms of year round employment and the actual number of people seasonally employed is twice as high.

Actual tourist related employment is estimated in Haines Coastal Management Plan to total about 35 jobs. This level implies that annual visitor expenditures in 1980 totalled about \$1.7 million and the average length of stay was about one and a quarter days.

This analysis of visitor expenditures is only representative of Haines tourist trade; a more accurate and detailed description could not be derived from available information. However, it does highlight one important feature of tourism in Haines that probably is valid and that is relevant to the purposes of the Port Chilkoot/Portage Cove Development Plan: an average expenditure of less than \$27.00 per visitor indicates a very low participation in the local economy by most tourists in Haines. This means there is a readily available tourist market that, in effect, isn't being tapped at present. Actions that can result in higher levels of visitor participation in the economy are much more within local spheres of private and public influence than is the case inducing increases in activities in other basic industries in Haines.

#### Economic and Fiscal Assessment of Public Development Projects.

Six major and one minor waterfront development projects requiring government funding are included in the development plan for the AMSA. Along with estimated costs for design, engineering and construction, these are:

1) Tlingit Park Retaining Wall	\$ 73,480
2) Lookout Park	\$159,681
3) Selective Tree Thinning	\$ 7,280
4a) Pedestrian Way at Harbor (upperslope option)	\$102,212
4b) Pedestrian Way at Harbor (boardwalk option)	\$320,000
5) Viewing Platforms and Connections	\$152,666
6) Port Chilkoot Dock--Land Portion	\$ 52,309
7) Port Chilkoot Dock--Water Portion	\$612,250

In aggregate, the estimated costs of these projects total between \$1.1 million and \$1.3 million depending on which option for the pedestrian way at the harbor is adopted.

These projects are essentially infrastructural improvements aimed at promoting increased resident and tourist use of the central waterfront along Portage Cove. None of the projects are of the type that will generate revenues through direct user charges. Whereas they are expected to induce increases in tourism in Haines, they will not generate revenues directly for the City of Haines and thereby amortize the initial investment over time. Although municipal sales and property tax receipts will rise as a result of increased visitor spending, these general taxes are not "returns on investments" nor are they similar in nature to service area assessments made to finance specific improvements. This is to say, the projects have fiscal implications but the direct governmental receipts will be small in relation to project costs. Provided the City of Haines acquires: Port Chilkoot Dock through purchase or long term, exclusive lease, some facilities incorporated into its redevelopment plan will produce lease and moorage revenues to the municipality. These, too, will be relatively small in relation to the cost of redevelopment.

The major benefits directly associated with the public development projects are employment and income generated within the private sector. In addition to public uses by residents, the projects are intended to attract, over time, additional tourists to the commu-



nity, to help induce travelers driving through Haines to stop and spend additional time in the community, and, generally to promote visitor circulation between the Port Chilkoot area and downtown. The projects will have three types of impacts on the general economy of Haines. First, their instruction will produce some local jobs, wages and other income of short duration--that will end with completion of the projects. Second, they will in combination induce direct growth in tourist related jobs, wages and other income on a sustained and annually increasing basis. Finally, direct jobs and incomes generated during both the construction period and on a sustained basis following their construction will indirectly induce additional amounts of employment and income primarily in the retail and services sectors of the economy.

Construction of the waterfront projects included in the AMSA development plan will cost between \$850,000 and \$1,000,000. This will directly generate between \$250,000 and \$300,000 of wage and salary payments and the annual equivalent of some 13 to 16 construction jobs. The jobs are expressed in terms of annual equivalents, and the actual number of construction workers will be from two to three times higher. Because construction of the projects are to be staged over several years, the actual increase in construction employment in any one season will be smaller than indicated. In addition to direct wages and employment, some small amount of construction materials or supplies may be produced locally.

In contrast to the temporary nature of jobs and income generated by the construction phase of different projects, increments in tourist related activities will be sustained from year to year. However, estimating the extent to which those projects will affect tourism is more speculative than in the case of constructive activity. Increases in tourist expenditures can occur in three ways: growth in the number of visitors traveling to or through Haines each year, increases in the average length of stay in the community and increases in levels of expenditures per visitor. Implementation of the projects in the waterfront development plan is anticipated to have each type of impact. The uncertainty in this context is by how much.

The complication in estimating the magnitude of impacts is that any increases in tourism will occur not only as a result of implementing public projects on the waterfront but, also, due to resulting in-

creased investments in tourist facilities and accommodations by the private sector. One way to approach this problem is to make some modest assumptions about the total impact of public and private investments combined without attributing the cause to one source or the other. This procedure will not produce estimates of impacts so much as it will depict the types of opportunities associated with the tourist trade in Haines.

In 1980, it is estimated that about 63,000 people visited Haines. On an average, each visitor spent slightly more than \$21.00 per day and the average length of stay for all visitors was about one and one-quarter days. In terms of the number of visitors, the 1980 level is roughly comparable to the number of people visiting Haines in 1975. In the interim between these years, the 1977 strike by Alaska Marine Highway employees, the opening of the highway linking Skagway to the interior, high fuel prices, and a drastic fall off of general economic activity in Haines contributed to a sudden decline in tourism followed by a slow growth of about one and one-half percent annually.

Assuming that public and private investments in tourist related facilities jointly spur increases in activity to a level of three percent a year, the number of people visiting Haines in 1990 would rise to 85,000, a 34 percent increase over the 1980 level. With no change in the average length of stay or in expenditure patterns, this would result in nearly a \$600,000 per year rise in visitor expenditures. If, as a result of additional accommodations and facilities, the average stay is expanded by one-half day and spending increases from \$21.00 to \$25.00 per visitor per day (not taking inflation into account), the gain in total visitor expenditures would be over \$2 million annually, more than double its 1980 level. This amount would represent about 43 new tourist related jobs yearly and \$370,000 of additional community income in the form of annual wages.

Both the initial amount for construction and increases in visitor spending represent an influx of money into the local economy. As a result, multiplier effects over and beyond the direct increases will occur as the new income circulates through the economy. Using employment multiplier of 1.5 for construction and 1.2 for tourist related activities, the construction phase results in between two and three additional jobs and about \$21,000 income per year whereas the direct growth represented for tourism generates another

eight-to-nine jobs and about \$75,000 per year in secondary impacts by 1990. In total, the construction phase produces some 20 to 25 jobs and \$310,000 to \$360,000; the combined direct and secondary impacts associated with growth in tourism equals about 50 jobs and \$445,000 annually by 1990.

Income generated by increased tourism and its secondary impacts are used to calculate associated increments in sales tax revenue to local government. In addition, a percent bed tax applicable to transient use of hotel and motel rooms would be an additional source of revenue associated with increased visitor travel. Some increases in property tax revenues resulting from new construction of visitor facilities and expansion of existing facilities, will also occur. Because tourist spending is for a wide range of goods and services and much of the increase will be absorbed by existing stores and businesses having differing amounts of excess capacity, estimates of changes in property tax revenues cannot be readily developed from information available. Sales tax revenue resulting from tourist spending estimated to be about \$51,000 in 1980 would increase at about 8.1 percent per annum under the assumptions developed in this section. At this rate, this source of local sales tax revenue would produce about \$112,000 per year by 1990. On average, this equals a \$6,100 per year increase. A 3% bed tax applied to hotels and motels would generate an estimated \$18,000 at current levels of operation. Under the same set of assumptions, the amount would also increase at the rate of 8.2 percent yearly, resulting in about \$40,000 per year by 1990.

National Historic Site. Established in 1898, and garrisoned in 1902, the principal buildings of Fort William H. Seward are the best surviving structures of the eleven military posts erected in Alaska to police the gold rushes of 1897-1904. The fort was involved in the boundary dispute between the United States and Canada and was the only Army post in Alaska between World Wars I and II. Fort Seward is designated as a National Historic Site and the principal structures still standing--barracks, officers' homes, quartermasters', medical center, warehouses, and the Port Chilkoot Dock--together are on the National Historic Register.

Cultural and Art Center. Chilkoot Center for the Arts is owned by the Haines Barony and its operation is directed by a Board of Trustees appointed by the Borough Assembly. Rebuilt in 1981, the new Center is equipped with modern stage, lighting, and acoustics. Regular users include local theatrical groups, the Alaska Division of Parks, visiting concert artists, student performers, and the Chilkat Dancers. Biennially, the Center hosts the State of Alaska Drama Festival. In 1983, Haines will host the national drama competition of the American Community Theatre Association which will be held at the Center.



# land use policy plan

The Land Use Policy Plan for the Haines AMSA consists of a series of OVERVIEW POLICY STATEMENTS. These STATEMENTS establish direction for land use, open space, public facilities, transportation, circulation, parking and and buffers within the AMSA.

The objectives of the plan are to stimulate local and tourist oriented use of the public AMSA lands and to provide direction and coordination for private sector development which will benefit the City of Haines as well as individual property owners.

The scope of the Land Use Policy Plan is as follows: the City of Haines has four distinct urban area assets - the downtown, the urban waterfront, Tlingit Park and Cemetery, and Fort William H. Seward. Utilizing these unique assets in conjunction with the Lynn Canal area natural features, the Plan seeks to encourage a positive and manageable increase in a visitor industry characterized by longer trip duration in Haines, while enhancing the living and working environment of local residents and business enterprises.

<sup>1</sup> OPEN SPACE POLICY. THE URBAN AREA WATERFRONT, FROM MAIN STREET SOUTH TO THE PORT CHILKOOT DOCK, SHOULD BE DEVELOPED AS AN OPEN SPACE AREA FOR DIVERSE BOTH LOCAL AND VISITORY-INDUSTRY USE.

Public open space, regardless of ownership, encompasses over 30 acres of uplands, the Haines small boat harbor, and one-half mile of waterfront. The significant open space concentrations include:

- the area south from Main Street to the Chevron tank farm between First Avenue and Front Street encompassing the Sheldon Museum site (public use), the Presbyterian Church and Mission Reserve properties (semi-public use), Tlingit Park (public use), and Tlingit Park Cemetery (public use);
- the Port Chilkoot Fort William H. Seward Parade Grounds (public use);
- Soap Suds Alley open space corridor (neighborhood use);
- camper park along Mud Bay Road (private use); and
- waterfront and tidelands from the Port Chilkoot dock to Main Street (public use).

2

**RESIDENTIAL LAND USE POLICY. EXISTING RESIDENTIAL NEIGHBORHOODS AT FORT WILLIAM H. SEWARD SHOULD BE PRESERVED AND ENHANCED.**

The single intense AMSA concentration of residential land use occurs within the bounds of Historic Fort William H. Seward. The concentration of owner occupied units, condominiums, rental units, transient visitor-industry accommodations and artists' studio-residences comprises a unique and diverse area and should be reinforced and safeguarded as a special neighborhood.

Housing clusters within the neighborhood form nicely scaled sub-neighborhoods yet are all related as a result of the overall fort architecture. The sense of "place" presented in these groupings is a valuable community resource and model. These clusters include:

- the former officers' houses on the parade grounds;
- the Halsingland Hotel; the Mountain View Hotel;
- Soap Suds Alley (former NGO houses); and,
- scattered artists' studio-residences on the lower fort slope.

New intense residential development within the AMSA is not anticipated in the Land Use Policy.

3

**COMMERCIAL LAND USE POLICY. THE MAJOR COMMERCIAL LAND USE WITHIN THE AMSA SHOULD BE VISITOR-ORIENTED SUPPLEMENTED BY WATER-RELATED AND/OR WATER-DEPENDENT MARINE USES.**

Commercial uses are categorized into visitor-oriented commercial and water-related/water-dependent marine commercial. The major concentration of these uses within the AMSA is in lower Fort Seward. Future options exist regarding the intensity of the visitor-related commercial uses based on the successful re-utilization of portions of the Fort Seward area. A major events use, defined as a single major grouping of activities under one developer jurisdiction, i.e., University of Alaska, State of Alaska, or private development corporation, could form the nucleus for new capital and rehabilitation. The location of both the visitor-related and marine commercial uses will occur on the mid to lower Fort Seward slope properties between Fort Seward Road and the water, and, in the area north of the Haines Cut-off Highway/Mud Bay Road intersection.

Visitor-related commercial use for the AMSA is defined as follows:

- transient-related eating, drinking and entertainment uses;
- gift shops, galleries, specialty shops, arts and craft shops;
- cultural centers and museums where artifacts are available to the public for sale.

Marine-oriented commercial is defined as: boat and boat supplies, sales and service.

Marine-dependent commercial consists of a use receiving and/or sending materials, people, and goods by waterborne transport. New bulk storage facilities are not considered as appropriate in scale in such close proximity to the existing residential neighborhoods.

4

**INDUSTRIAL LAND USE POLICY. NEW INDUSTRIAL USES WITHIN THE AMSA SHOULD BE LIMITED TO WATER-ORIENTED AND/OR WATER-DEPENDENT MARINE USE OF A SCALE COMPATIBLE WITH ESTABLISHED NEIGHBORHOODS AND CULTURAL COMPLEXES.**

Light industrial uses, consisting of non-polluting marine construction, office/research, marine repair and servicing is a compatible use of the northern and southern periphery of the Fort Seward district. Paramount to any industrial use locating within these areas is the consideration for health and safety impacts on existing established residential neighborhoods.

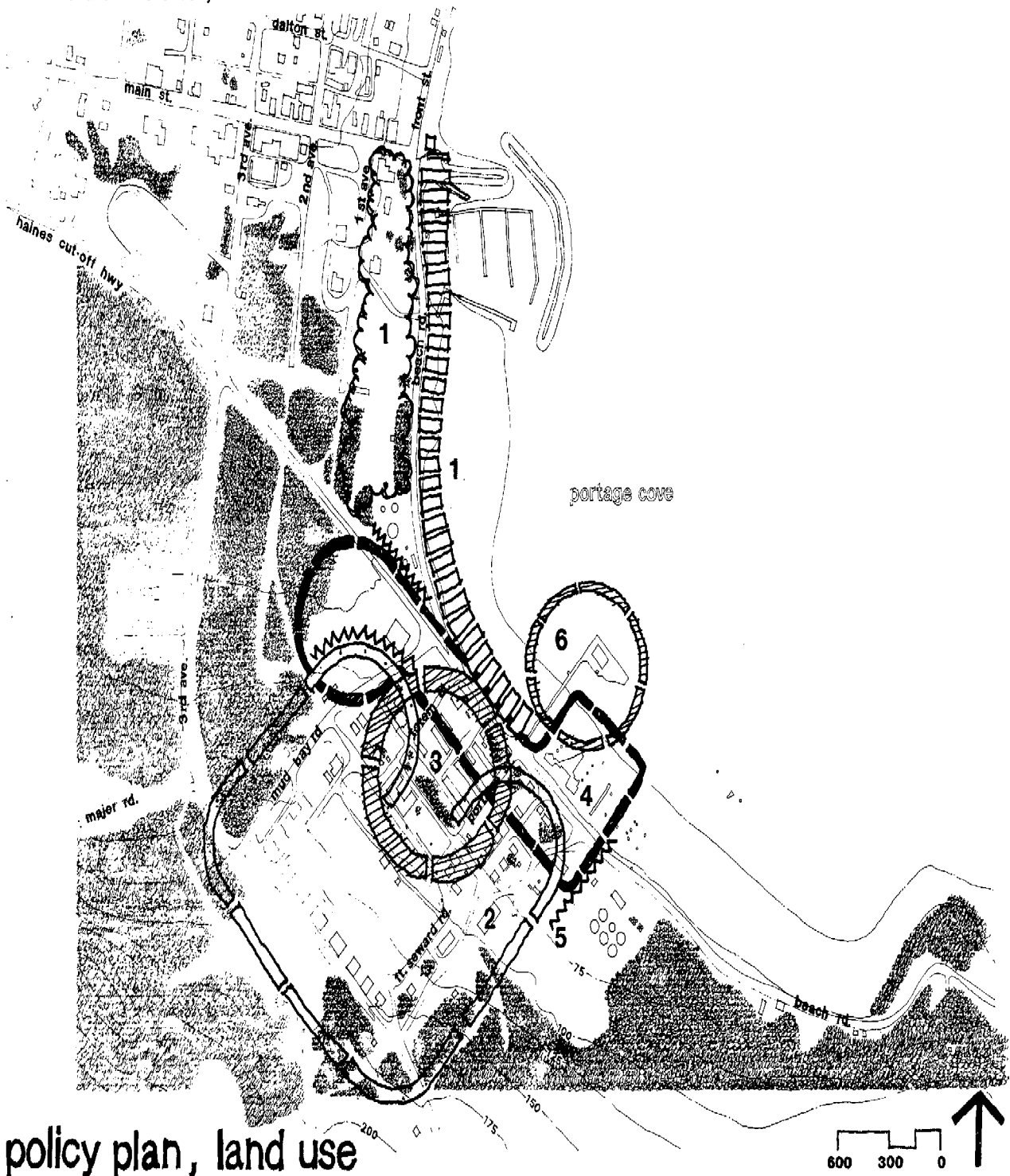
The Chevron bulk storage facility between Front Street and Haines Cut-off Highway is essentially a contained use with no contiguous expansion space. The Plan does not anticipate expansion of this facility or similar uses within the AMSA.

**5 BUFFER EDGE POLICY. PUBLIC AND PRIVATE DEVELOPMENTS SHOULD ESTABLISH LANDSCAPED BUFFER AREAS BETWEEN SIGNIFICANT CHANGES IN LAND USE ACTIVITY.**

Landscaped buffers should define the edge between the following areas:

- o Haines Cut-off Highway traffic and the Chevron tank farm on the north as well as upland cleared land on the south;

- upland forest areas along Mud Bay Road and the cleared uplands immediately to the north between Mud Bay Road and the Haines Cut-off Highway;
- between Soap Suds Alley-Chilkat Center for the Arts area and bulk storage-industrial area to the southeast.



policy plan, land use

6 **NEW ACCOMODATIONS FOR VISITOR AND REGIONAL BUS AND VAN TRANSPORT SHOULD BE INCORPORATED IN ALL APPROPRIATE AMSA DESIGN IMPROVEMENTS.**

**CRUISE SHIP ACTIVITY SHOULD OCCUR WITHIN THE AMSA, AT THE PORT CHILKOOT DOCK, WITH ADDITIONAL LITERING FACILITIES AT THE HAINES SMALL BOAT HARBOR.**

Transportation to and from the AMSA consists of auto, trucks, service vehicles, buses, and vans, commercial and pleasure boats, float planes, and cruise ships. An expansion of all transportation modes is anticipated in the AMSA and detailed design recommendations for each special design district reflect this expansion.

Overall, significant transportation improvements in the AMSA should include:

- additional cruise activity at both Port Chilkoot and the small boat harbor;
- accommodations for additional pleasure boats due to possible influx from the Juneau area;
- visitor-oriented buses and vans throughout the AMSA related to the cruise ship mode and longer trip duration visitor-industry;
- improved pedestrian flow;
- additional private auto access for local residents and visitors based on new and improved public recreational facilities and private sector visitor industry developments.

7 **VEHICULAR CIRCULATION POLICY. VEHICULAR CIRCULATION THROUGHOUT THE AMSA SHOULD BE SLOW-MOVING, NEIGHBORHOOD, TOURING-ORIENTED.**

Circulation throughout the Haines urban area as it relates to the AMSA consists of the overall loop of Main Street, Front Street, Mud Bay Road, and Third Avenue. The Haines Cut-off Highway intersects this loop in a northwest-southeast alignment.

In order to preserve the integrity of existing and future neighborhoods within and adjacent to the AMSA, the Plan recommends the retention of the basic circulation pattern with the addition of Second Avenue being continued from Main Street to the Haines Cut-off Highway. First Avenue should remain terminated at the senior citizen center with a connection to Second Avenue.

Utilizing improved street and sidewalk construction and improved traffic controls at the Mud Bay Road/Haines Cut-off intersection, overall vehicular circulation should be adequately accommodated.

8 **PEDESTRIAN CIRCULATION POLICY. PEDESTRIAN WALKWAY, SIDEWALK, AND TRAIL IMPROVEMENTS SHOULD BE DEVELOPED THROUGHOUT THE AMSA WITH THE WATERFRONT AREA BEING THE "SPINE" FOR THIS SYSTEM.**

Pedestrian circulation should be enhanced with substantial additions to a trail-walkway-boardwalk system throughout the AMSA and adjacent city hall, downtown, and residential areas.

The waterfront linear pedestrian system will be a high visibility, major image route. An upland trail connection to this system, in addition to existing improved street rights-of-way, should be established between upper Main Street, the Second Avenue future development area, city hall, and Fort William H. Seward.

Seasonally appropriate bikeways and cross country ski trails are recommended for the major pedestrian loop system. The basic loop is recommended as follows:

- southward along First Avenue from Main Street to and crossing the Haines Cut-off Highway;
- continuing southward to Mud Bay Road in the vicinity of the Totem restaurant;
- through lower Fort Seward to Portage Street;
- northeast on Portage Street to Beach Road;
- north along Beach Road/Front Street in conjunction with waterfront improvements across from the Presbyterian Mission Reserve; and
- west on Main Street connecting to Second Avenue.

Secondary loops and connections occur within design districts as follows:

- connection to upper and lower Main Street;
- connection to Tlingit Park;
- connection to city hall;
- connection to upper Fort Seward and the parade ground loop.

9

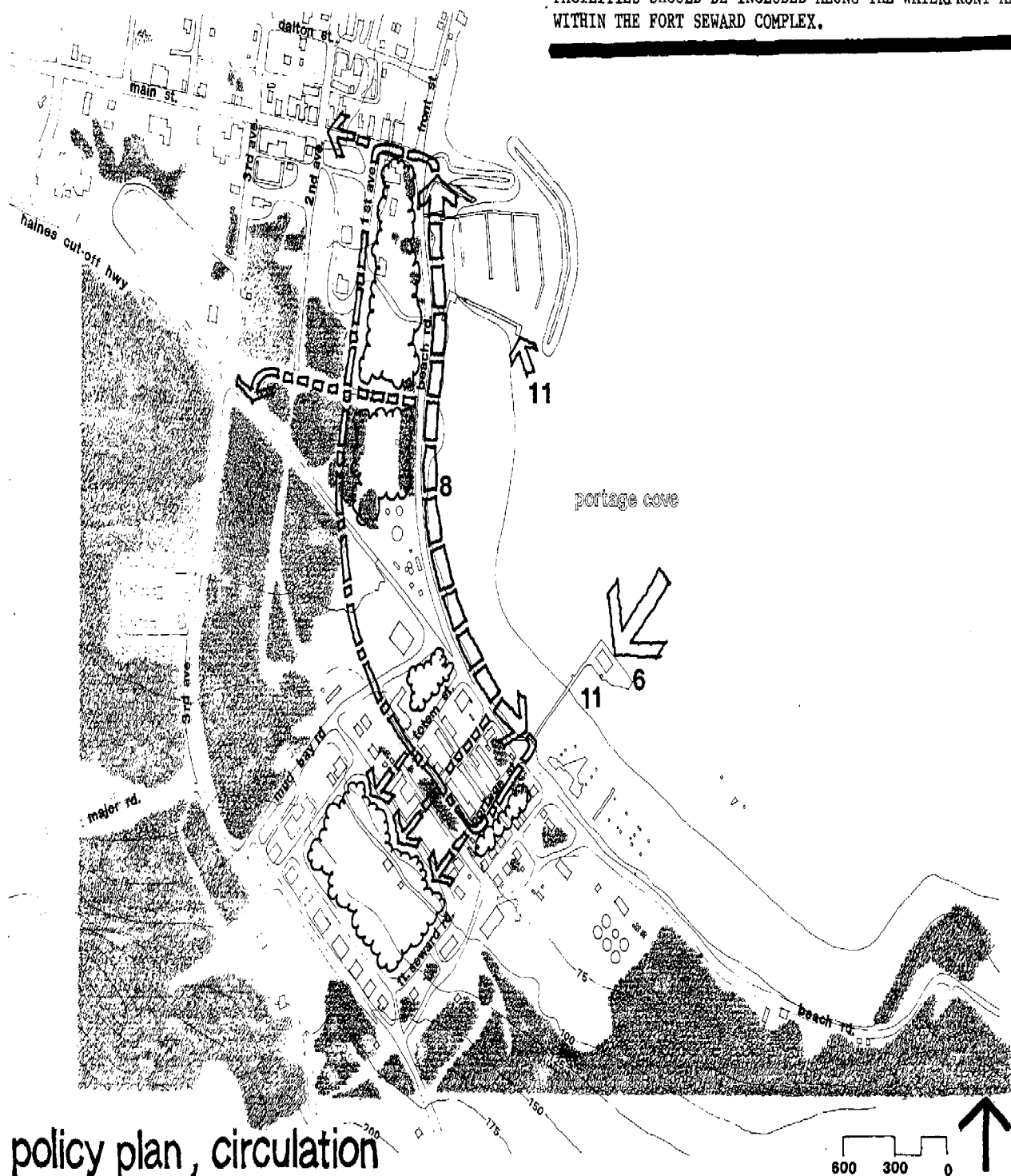
**PARKING. VEHICULAR PARKING FACILITIES FOR WATER-RELATED ACTIVITIES SHOULD SEPARATE VEHICLE TYPES (FISHING VS. TOURISM) WHERE APPROPRIATE AND MITIGATE VEHICLE-PEDESTRIAN CONFLICTS.**

Parking for automobiles should be clearly defined and distinct from boat trailer parking and maneuvering areas as well as from load/off-load areas for commercial fishermen.

Additional auto/service vehicle parking areas are provided throughout the AMSA in conjunction with various public facility improvements. These are discussed in the design district sections. Generally, parking improvements are minimized along the waterfront and consolidated throughout the Fort Seward district on both public and private lands.

10

**SEGREGATED PARKING ACCOMMODATION FOR VISITOR TRANSPORT FACILITIES SHOULD BE INCLUDED ALONG THE WATERFRONT AND WITHIN THE FORT SEWARD COMPLEX.**





- 11 MOORAGE FACILITIES FOR RECREATIONAL AND COMMERCIAL SMALL BOATS SHOULD BE DEVELOPED AT THE PORT CHILKOOT DOCK.

Expanded moorage for pleasure craft as well as commercial fishing boats is recommended for the Haines small boat harbor and the Port Chilkoot Dock area. Refer to the design district sections for more detail.

- 12 PUBLIC INFRASTRUCTURE POLICY.

IMPROVED ROADWAYS, THROUGH PAVING AND NEW ROAD PROFILES, SHOULD BE AN INTEGRAL PART OF ALL INCREMENTAL PROJECT DEVELOPMENT THROUGHOUT THE AMSA.

- 13 PUBLIC FACILITIES POLICY. THE PUBLIC FACILITIES FOR THE AMSA SHOULD SUPPORT RECREATIONAL USE FOR BOTH LOCAL RESIDENTS AND VISITORS, AS WELL AS SERVICE FACILITIES REQUIRED FOR MARINE RECREATIONAL AND SMALL SCALE COMMERCIAL CRAFT.

Public facilities within the AMSA Plan include:

- Haines small boat harbor;
- Sheldon Museum and Cultural Center;
- Tlingit Park and trail;
- Tlingit Park Cemetery;
- waterfront parks and walkways for local and visitor use;
- waterfront repair and service facility for small marine craft; and
- future acquisition or long term lease of Port Chilkoot dock.

- 14 AN URBAN AREA-WIDE WATER SHED AND DRAINAGE STUDY SHOULD BE UNDERTAKEN WITH SPECIAL EMPHASIS ON THE AMSA TO DESIGN A STORM DRAINAGE SYSTEM CAPABLE OF BEING CONSTRUCTED WITH AMSA PROJECT DEVELOPMENT.

Front Street/Beach Road, the Haines Cut-off Highway, Mud Bay Road, and Fort Seward Road loop are the existing paved roadways of the AMSA. The Plan recommends paving roadway and sidewalks for the following AMSA streets:

- First Avenue
- Totem Street
- Portage Street

Other side streets within the Fort Seward private sector development areas can be paved as service road/parking lots.

Design treatment of specific streets is discussed in the design district sections.

New 8" PVC sewers were installed in 1975 the full length of Front Street and Beach Road within the AMSA; and, along the Haines Cut-off Highway from the sewer treatment facility to Third Avenue and southward along Third Avenue beyond Tower Road and the AMSA boundaries. A force main connects the two lines in the vicinity of Tlingit Park.

Future replacement of Port Chilkoot Fort William H. Seward's 1906 8" vitreous clay system is necessary to meet future development requirements.

Storm drainage design should be undertaken in detail in the near future. Artificially created drainage problems adjacent to the AMSA in the area north of Mud Bay Road up to a point just south of the Main Street shopping area and between Front Street and Third Avenue affect future downtown development as well as Tlingit Park and the Mission Reserve properties. Alleviation of this problem involves an analysis and design of the larger watershed drainage pattern.

In the fort, storm drainage waters currently flowing in an easterly direction in the swale directly north of the officers' quarters should be redirected back toward their original (1900) overland watershed flow pattern, combining them with the proposed new Portage Street walkway, roadway, and drainage improvements. As an interim solution, smoother pipe design can be accomplished to reduce friction and facilitate a more improved temporary situation.



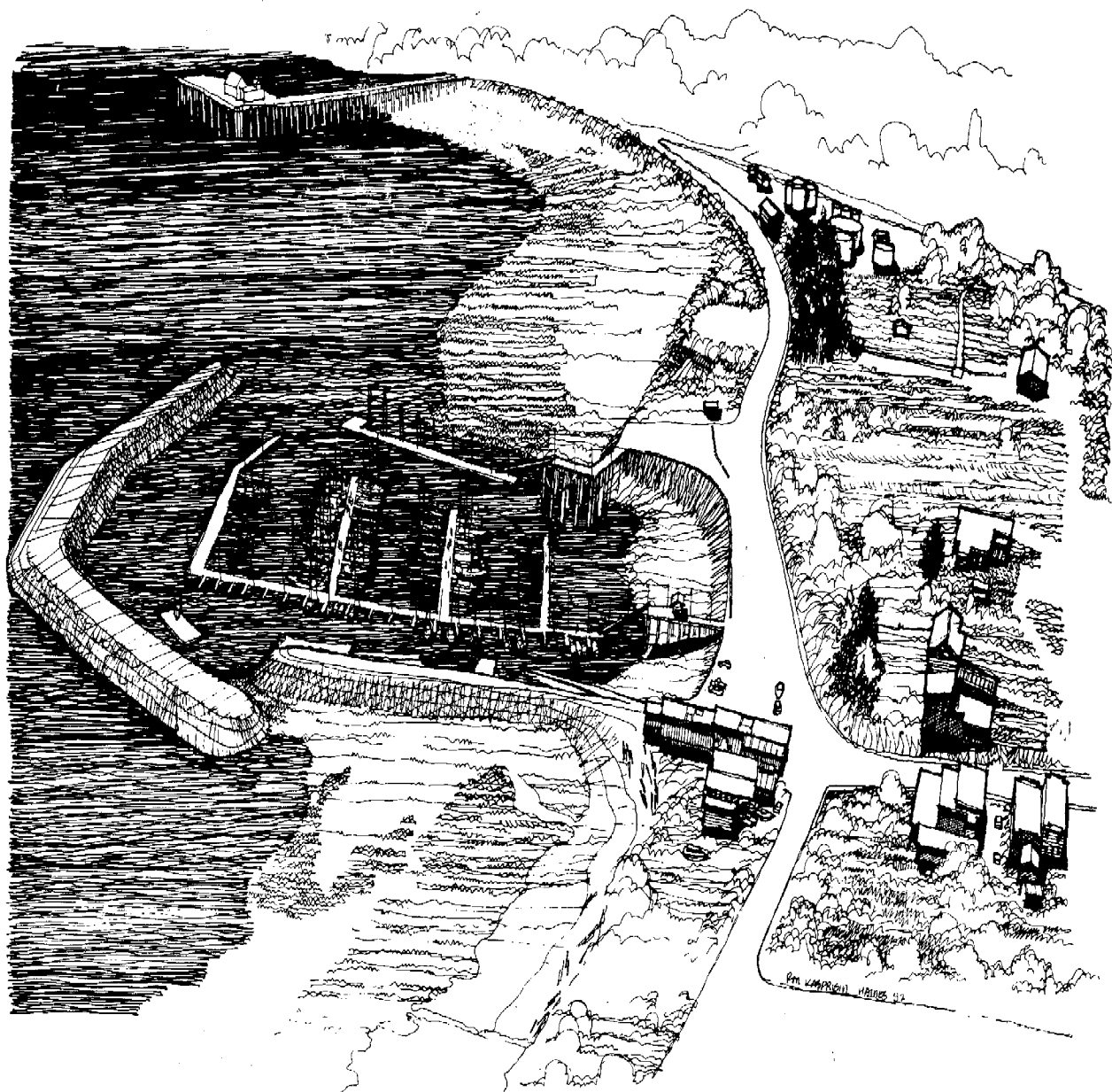
Alaska Indian Arts, Incorporated, a non-profit corporation founded by Haines resident Carl Heinmiller, is dedicated to perpetuation of Tlingit arts and crafts. Its location in Port Chilkoot houses artists working in Tlingit art traditions. Haines-The First Century (1979) credits this effort as "at least partially responsible for the revival of interest in Northwest Indian Arts."



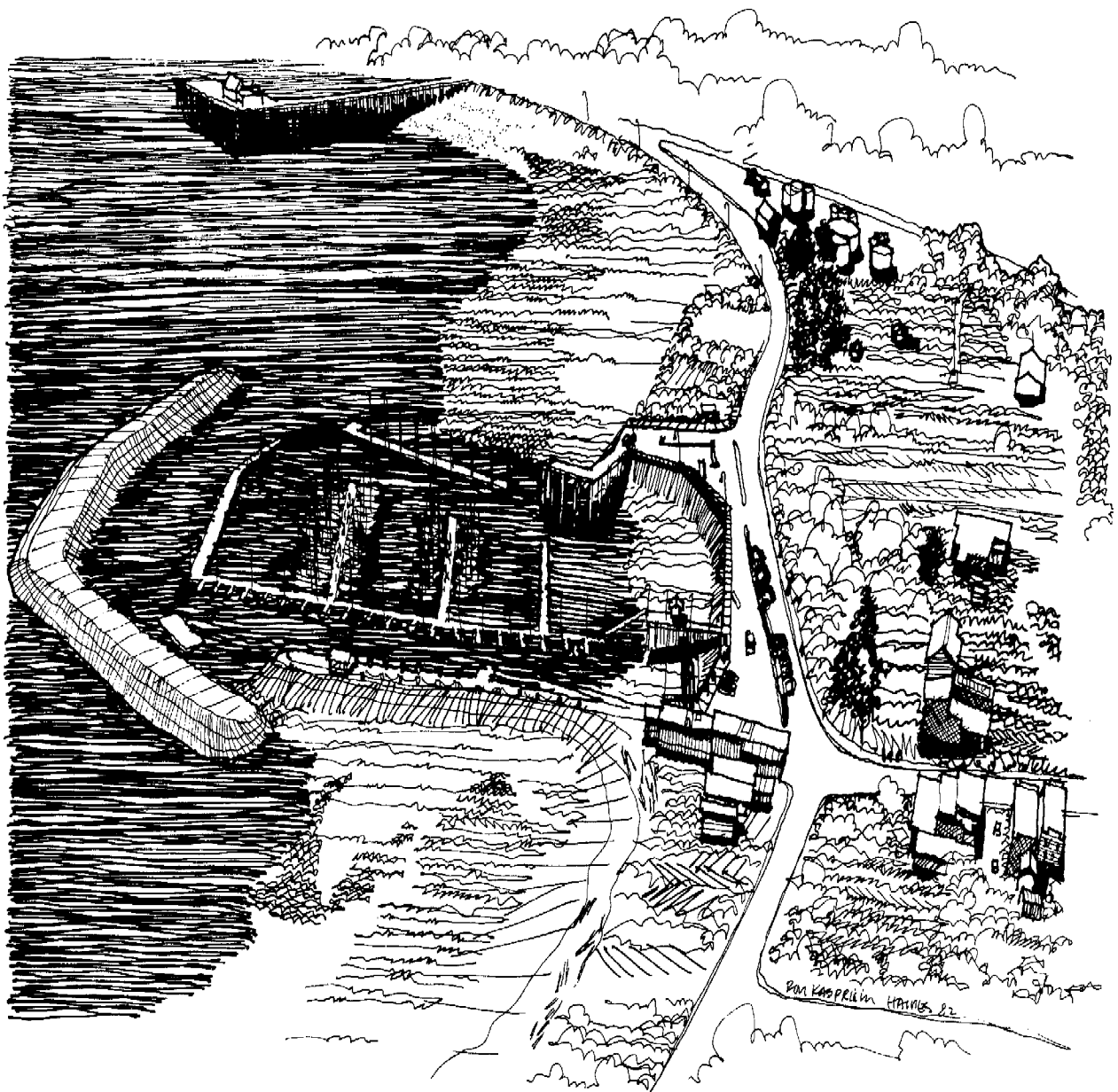
design  
district 1

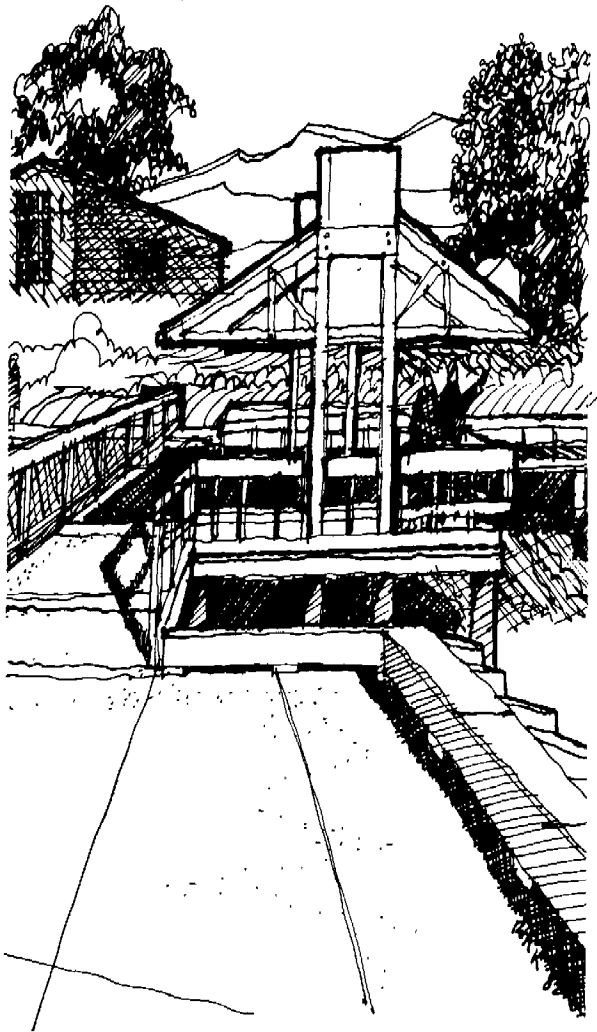
small boat harbor • mission • museum

This aerial oblique sketch depicts the existing waterfront for Special Design District One from Main Street to the Tlingit Park area. Significant waterfront use includes the Haines small boat harbor. The remainder of the waterfront is undeveloped and characterized by a rocky shoreline and scrub deciduous trees.



Recommendations for Special Design District One include a pedestrian way along the upper waterfront area highlighted by small viewing platforms, information signs, seating areas, pedestrian lighting, local art objects and access stairs to the beach. Development can be phased over time.





This sketch depicts a future viewing platform connecting the shoreline walkway with the existing loading dock and view (vantage point of sketch). The covered shelter area would be protected from the wind with transparent panels and would contain benches and tables.

## Special Design District 1: City of Haines Small Boat Harbor, Museum, Presbyterian Mission

### Organizing Structure or Principle

Open space, composed of the Haines small boat harbor, the uplands around the Sheldon Museum and Presbyterian Mission, and the waterfront, is the dominant organizing structure for this district.

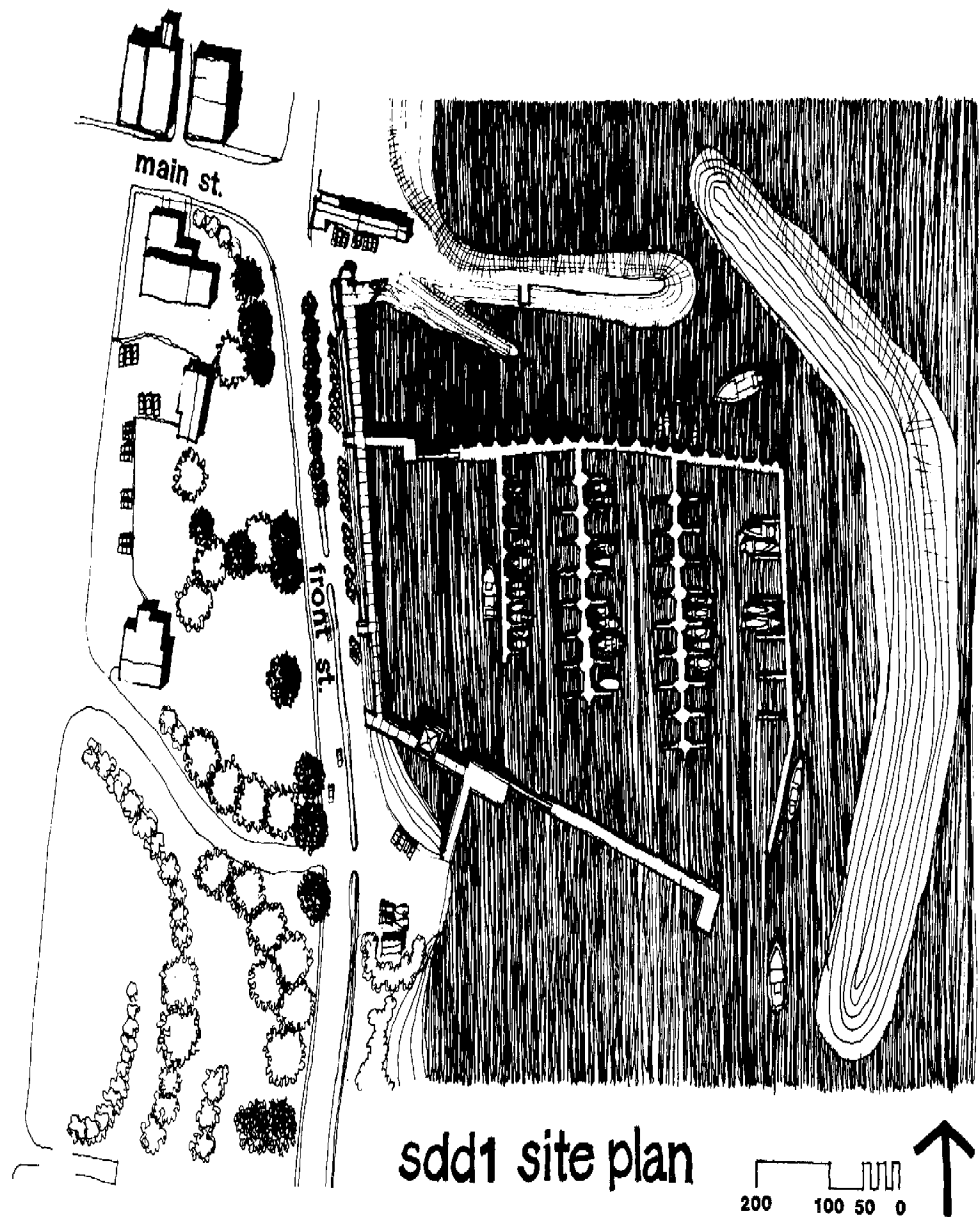
### Primary Use(s) and Design Features

Small craft moorage:

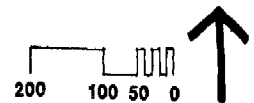
- year round use;
- protected by seawall;
- no significant expansion probable;
- minimal expansion of float system.

Waterfront recreation and pedestrian access:

- viewing platform located at the foot of Main Street east of Front Street, containing an information sign, seating, totem pole(s) and seasonal canopy;
- sheltered viewing platforms/artists' vantage points located between the mainland and the loading float, immediately south of the harbor; this is an optional design feature.
- Pedestrian way extending from Main Street southward to loading float which includes two small viewing platforms with weather protection and seating; and, separated from parking and vehicular circulation;
- distinct and separate pedestrian walkway along Front Street connecting to Tlingit Park district;
- landscaped island along Front Street separating the harbor parking from Front Street through traffic; contains controlled access points;
- vehicles loading and off-loading for commercial fishing industry and vehicles with boat trailers should be contained in the parking area provided south of the loading float; striping and channelization of the parking area is necessary to improve its efficiency and increase the number of vehicles being stored.



sdd1 site plan



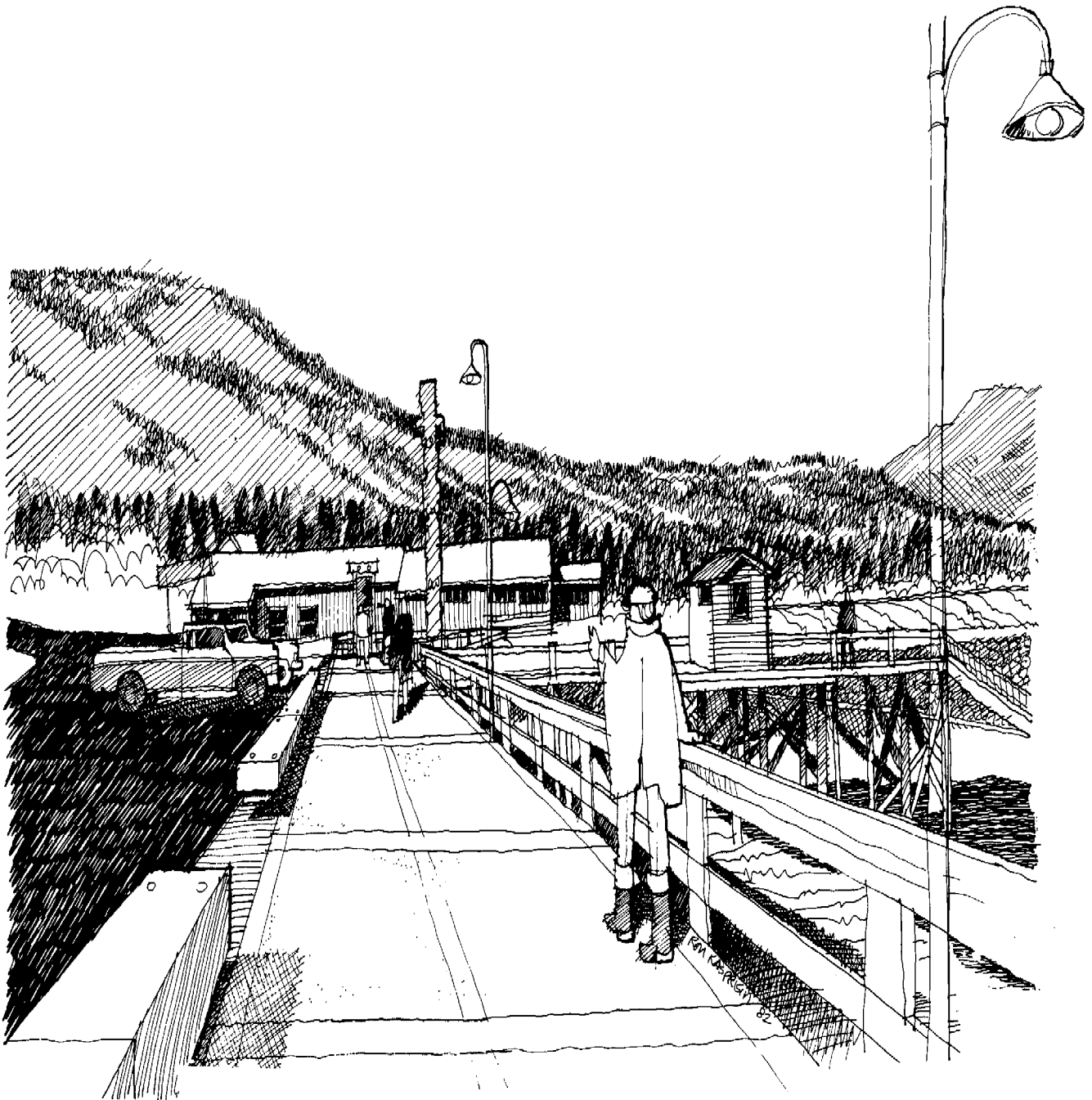
Visual open space reserves:

- maintain and enhance Sheldon Museum and Cultural Center landscaped setting;
- establish an open space zone on the Presbyterian Mission Reserve property between Front Street and the mission building complex;
- limit waterfront fill to existing area and retain beach and tidelands in a natural state.

Options for the waterfront pedestrian way include a walkway along the upper edge of the existing slope, or, a walkway entirely on pilings. The sketch views are north.

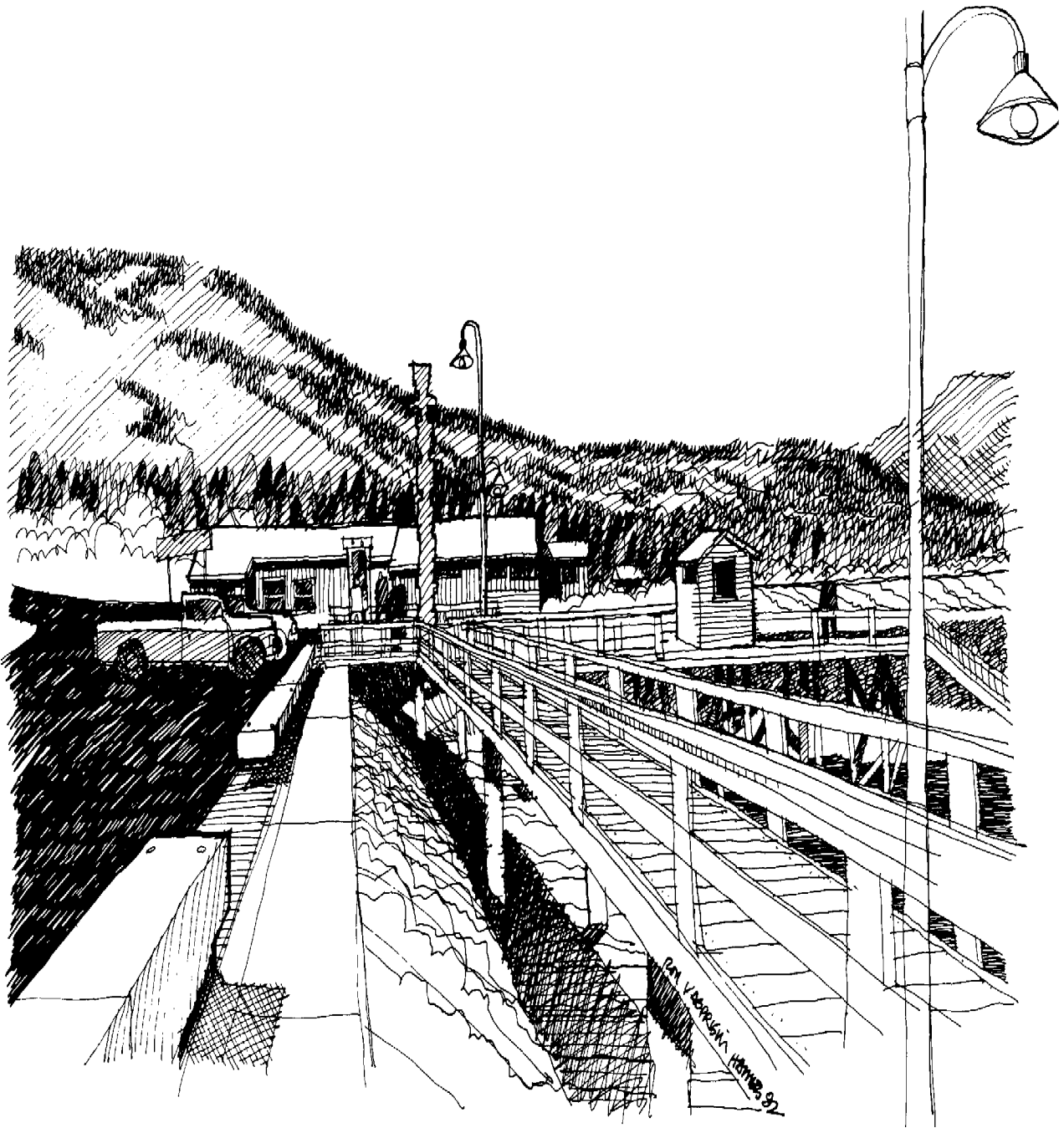
The upper slope option provides for a walkway ten feet minimum in width, constructed either at grade or raised slightly above grade for pedestrian protection. This option would not alter or disrupt the unconsolidated granular fill slope presently forming the edge of the parking area.

Materials used for construction could include a textured, brushed or raked concrete surface set in a wood grid; or, the walkway could be constructed entirely of wood planking. Large wooden timbers, capable of serving as benches, should separate vehicles from pedestrians.

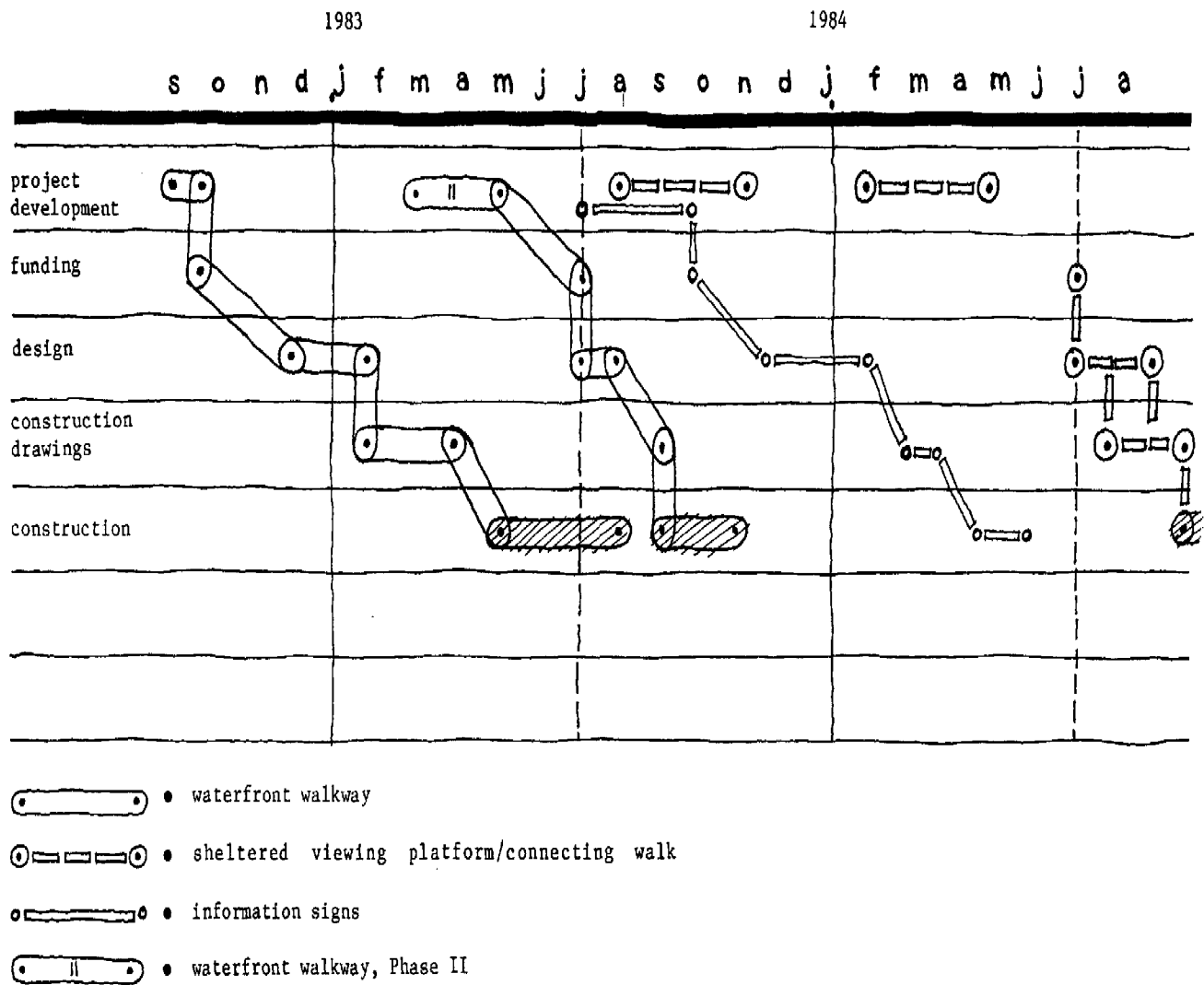




The walkway option entirely on pilings is a more formal boardwalk structure set out from the slope in order not to disrupt or alter the unconsolidated granular fill slope. This boardwalk would allow pedestrians to be closer to the water and completely separate pedestrian traffic from vehicular traffic. Materials for construction would be similar to the first option.



# project schedule



# funding sources

- SHELTERED VIEWING PLATFORM OPTION AND CONNECTING BOARDWALK

## Design and Engineering

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: \$15,200

Purpose: Schematic Design, Design Development,  
Construction Drawings and Engineering

## Construction Funding

### LEGISLATIVE APPROPRIATIONS

LOAN PROGRAM, for essential facilities maintaining  
or expanding employment opportunities;

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM, for improving public facilities  
at harbors and building publicly-owned recreational  
facilities to enhance an area's tourism facility.

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Up to \$50,000

- PEDESTRIAN WAY

## Design and Engineering

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

Budget Estimate: \$10,000

Purpose: Schematic Design, Design Development,  
Construction Drawings and Engineering

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Same as above, OCZM is an alter-  
nate source for the same budget  
amount.

## Construction Funding

### LEGISLATIVE APPROPRIATIONS

FARMERS HOME MORTGAGE ADMINISTRATION, LOAN PROGRAM

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Up to \$50,000

# preliminary cost estimates

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## Pedestrian Way, Including Information Sign/Orientation Material

### Upper Slope Option

Platform (Deck) . . . 424 ft. x 10 ft. x 6.00 s.f. . . . .	25,440
Railing (Wood) . . . . 1 x 424 ft. x 12.00/l.f. . . . .	5,088
Wood Preservative . . . 30 gal. x 22.50 . . . . .	675
Viewing Platform . . . 2 @ 125 s.f. x 34.00/s.f. . . . .	8,500
Wood Benches . . . . . 6 x 240 ea. . . . .	1,440
Light Standards . . . . 6 x 800.00 ea. . . . .	4,800
Conduit/Cable/Panel . . . . .	4,200
Information Sign . . . . .	2,800
Totem Sculpture . . . . .	2,000
Misc. Materials . . . . .	4,000
Utilities Protection/Coordination . . . . .	1,000
Traffic Protection/Police and Signage . . . . .	6,000
<hr/>	
Subtotal	\$ 65,943
Multiplier 1.55 (wage and materials cost factor, escalation/ inflation, Design Fees (Architect/Engineer), Contingencies) . . . . .	<u>\$102,212</u>

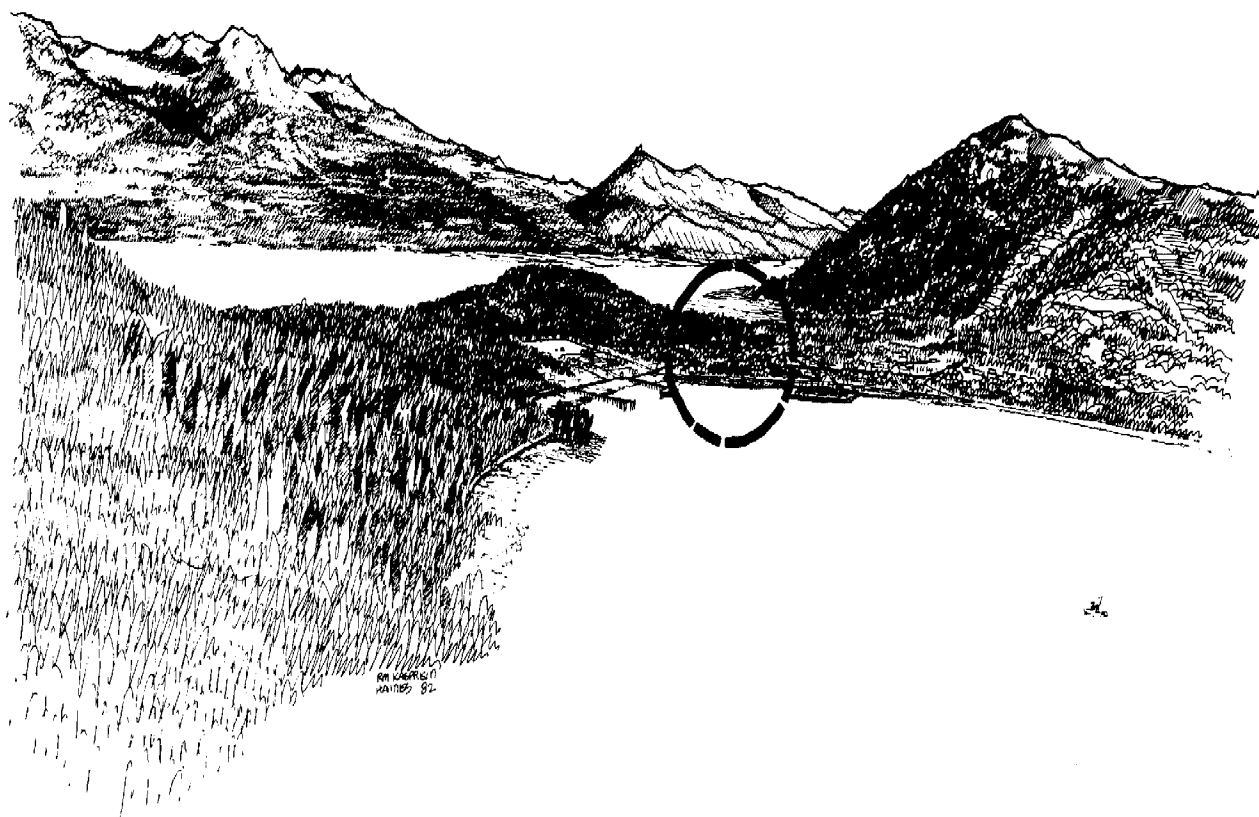
Upper Slope Option: (Walkway built at top of embankment.)

Boardwalk Option

Mobilization and Field Office . . . . .	10,000
Platform (Deck) . . . 424 ft. x 10 ft. x 32.00 s.f. . . . .	135,880
Railing (Wood/Bridge) 2 x 424 ft. x 12.00/l.f. . . . .	10,176
Piling . . . . . 108 x 35.00 ea. . . . .	3,780
Wood Preservative . . 30 gal. x 22.50 . . . . .	675
File Driving . . . . . 108 x 10' x 18.00 . . . . .	19,440
Viewing Platform . . . 250 s.f. x 34.00/s.f. . . . .	8,500
Wood Benches . . . . . 6 x 240 ea. . . . .	1,440
Light Standards . . . 6 x 800.00 ea. . . . .	4,800
Conduit/Cable/Panel 4,200 l.s. . . . .	4,200
Information Sign . . . . .	2,800
Totem Sculpture . . . . .	2,000
Concrete . . . . . 3 x .4 x 150.00 . . . . .	180
Misc. Materials . . . . .	1,750
Utilities Protection/Coordination . . . . .	1,000
Traffic Protection/Police and Signage . . . . .	6,400
Misc. Rip Rap . . . . .	2,500
<hr/>	
Subtotal	\$215,321
Multiplier 1.55 (wage and materials cost factor, escalation/ inflation, Design Fees (Architect/Engineer), Contingencies) . . . . .	<u>\$320,000</u>

Viewing Platform and Connections between Boardwalk and Loading Dock

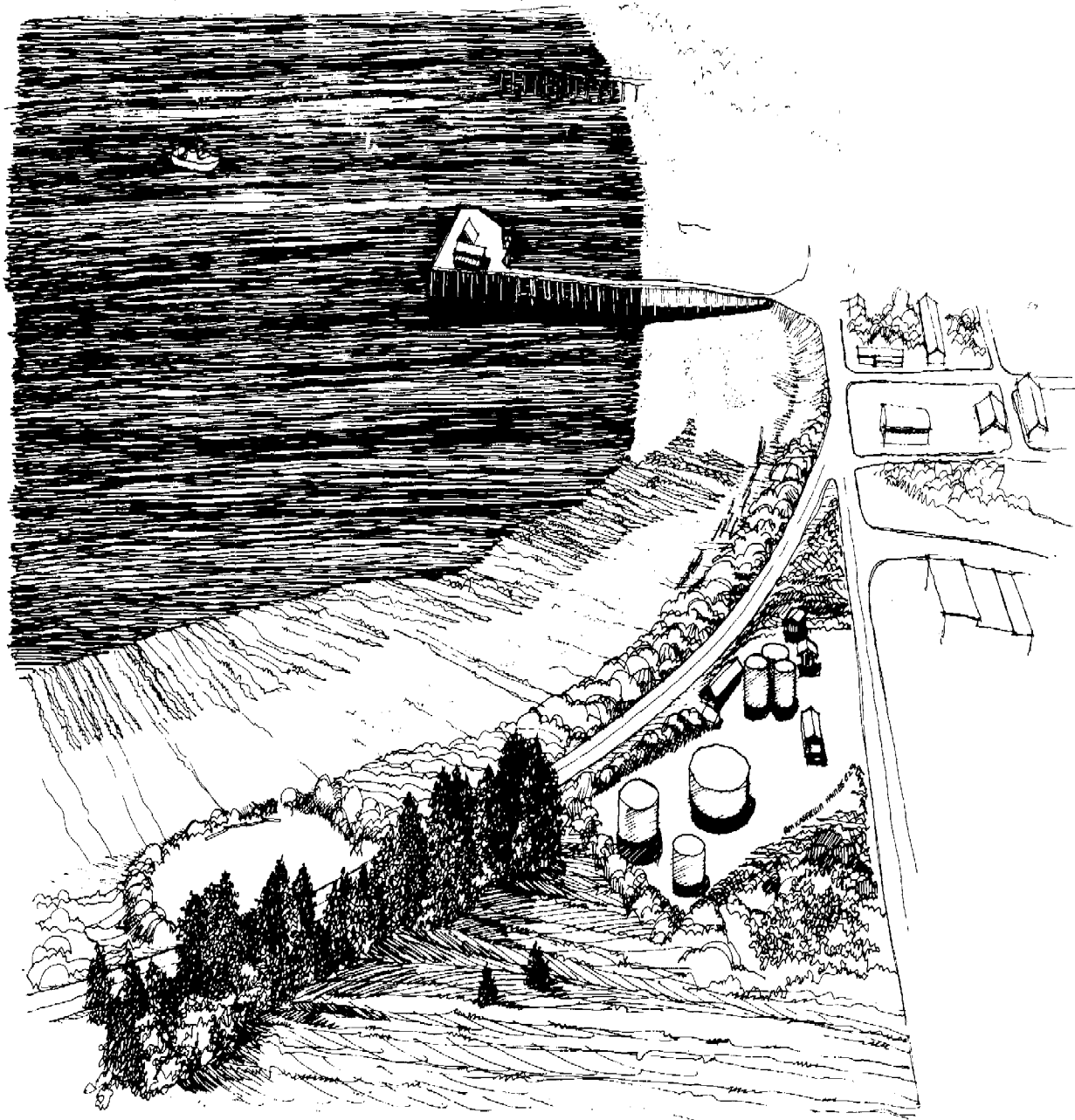
Mobilization and Field	
Office . . . . .	10,000
Platform (Deck) . . . 155 ft. x 10 ft. x 32.00 s.f. . . . .	49,600
Railing (Wood) . . . . 155 ft. x 2 x 12.00/1.f. . . . .	3,720
Piling (@ 40 ft. Delivered) . . . . . 42 ft. x 35.00 ea. . . . .	1,470
Wood Preservative . . 15 gal. x 22.50 . . . . .	338
Pile Driving . . . . . 42 x 12 ft. x 18.00 . . . . .	9,072
Viewing Platform . . . 12 ft. x 32 ft. x 36.00/s.f. . . . .	13,824
Railings (w/seat) . . 56 ft. x 17.50 . . . . .	980
Roof Super Structure . . . . .	2,450
Transparent Windscreens . . . . .	2,000
Light Standards . . . . .	2,400
Light Fixtures . . . . 2 x 75.00 . . . . .	150
Beacon Light . . . . .	200
Conduit/Cable/Panel . . . . .	1,600
Concrete Work (Foundation, Transition, Block) 2 x .3 cy x 150.00 . . . . .	90
Misc. Metals . . . . .	600
<hr/>	
Subtotal	\$ 98,494
Multiplier 1.55 (wage and materials cost factor, escalation/ inflation, Design Fees (Architect/Engineer), Contingencies) . . . . .	<u>\$152,666</u>



design  
district 2

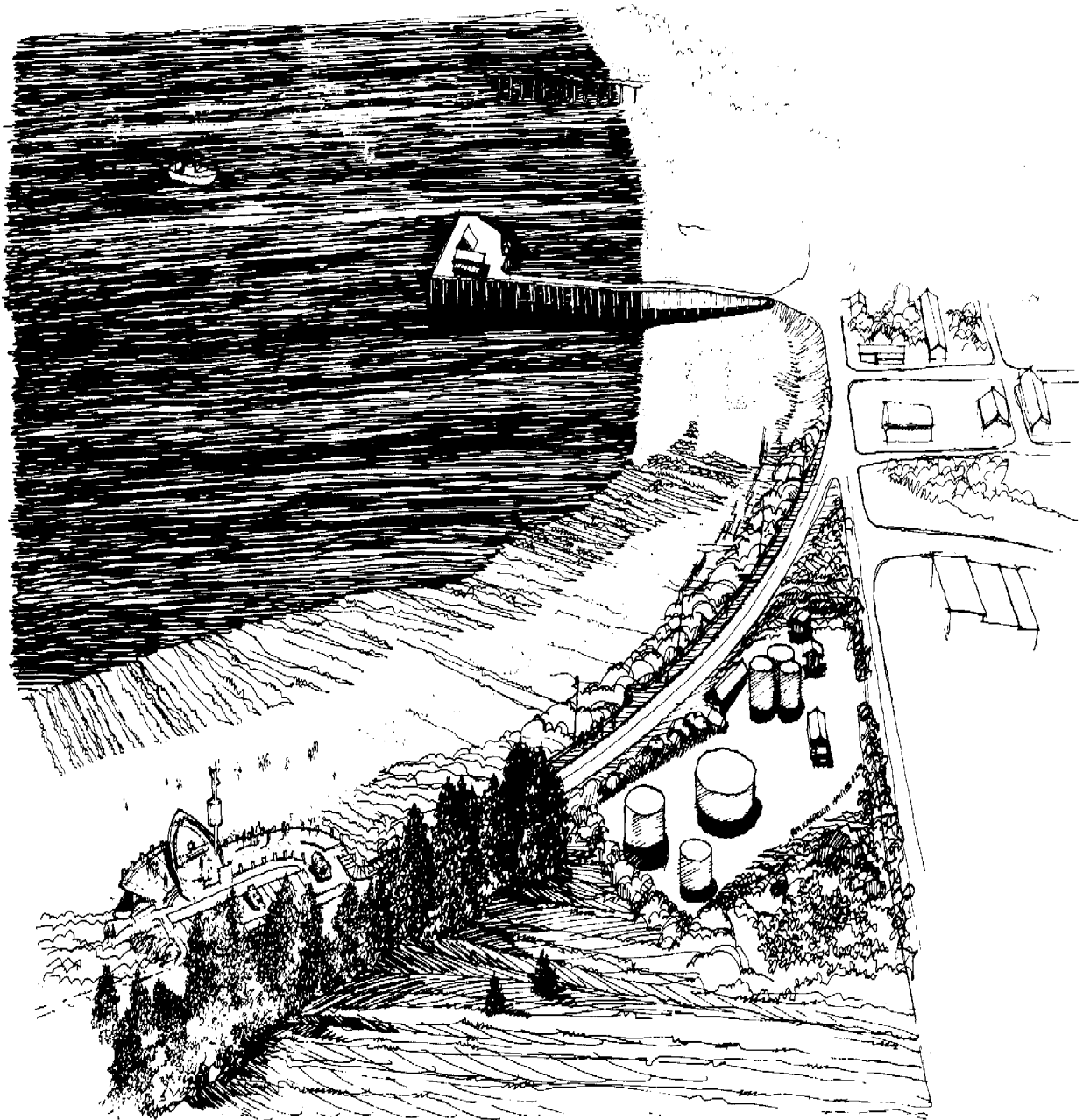
tlingit park • cemetery • lookout park

Existing conditions within Special Design District Two include the Tlingit Park and Cemetery facilities as public open space areas; and, an undeveloped, partially earth-filled waterfront edge condition.





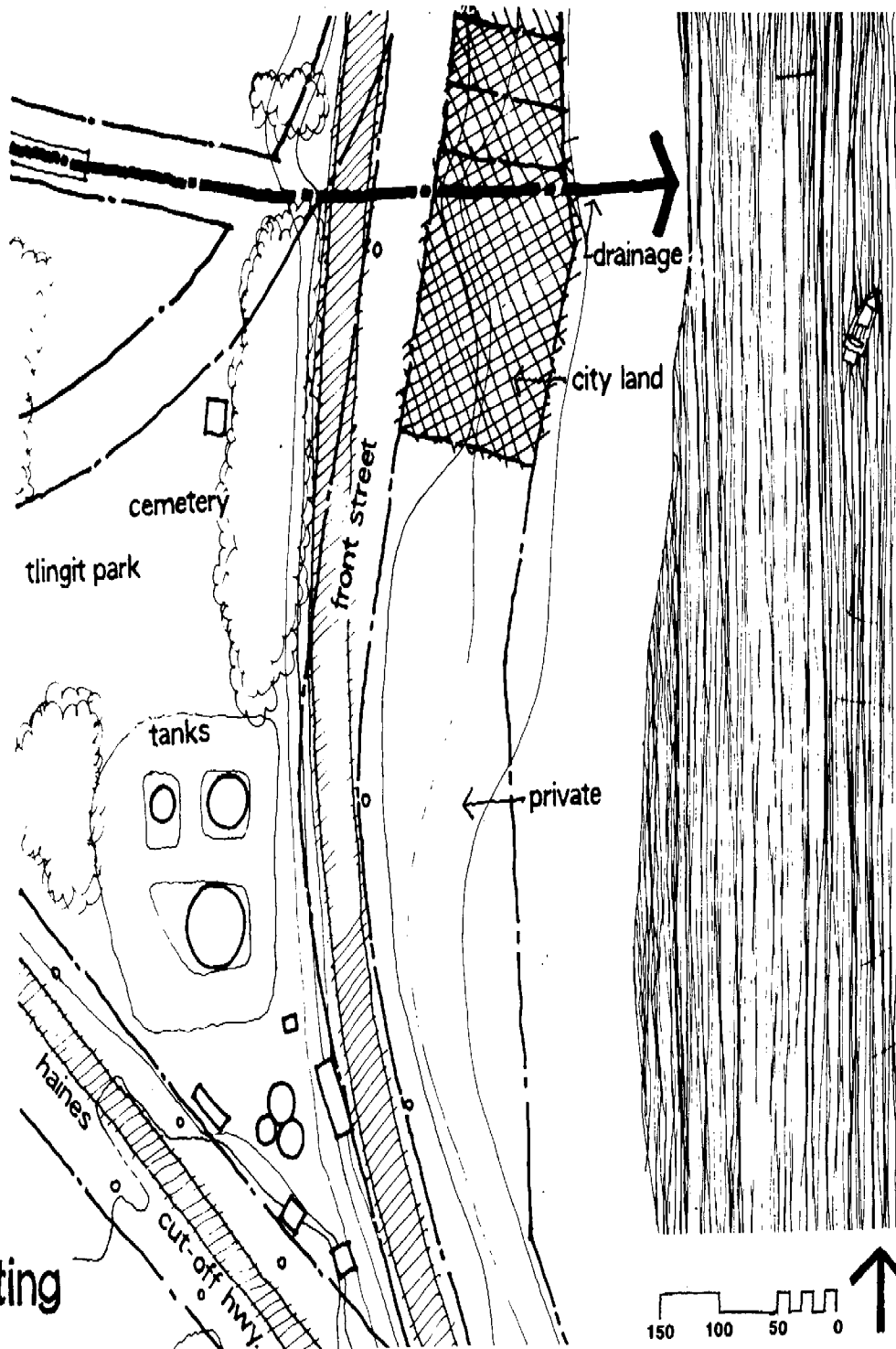
Recommendations include unifying the activities and image of this district by restoring the cemetery as an historic focal point; by providing improved safe access between the waterfront and Tlingit Park; and, improving pedestrian access to and use of the waterfront through the construction of a waterfront theme park. Off-street parking for cars and a bus/van cut-in lane will improve access and circulation in the area.



Special Design District 2: Tlingit Park/Cemetery/  
Lookout Park. This district includes Tlingit Park and  
 Cemetery and Lookout Waterfront Park.

#### Organizing Structure or Principle

This district's design connects the community-oriented passive Tlingit Park upland to the more visible and visitor-oriented Lookout Waterfront Park. Tlingit Park Cemetery provides an edge and backdrop to both the upland as well as the waterfront parks. Dispersed views through a mature stand of Spruce in the cemetery visually integrates upland and waterfront.

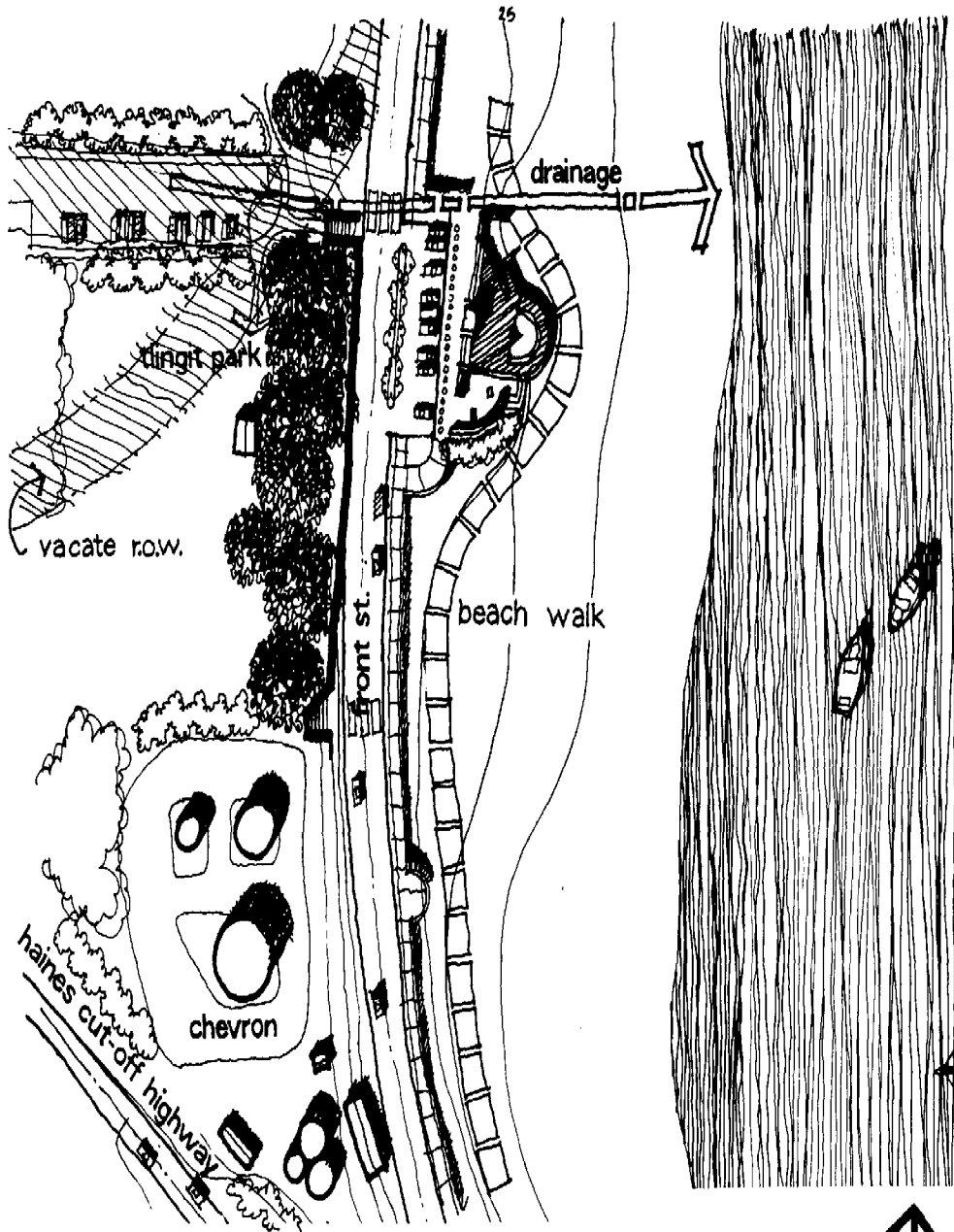


sdd2: existing

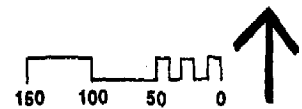
Primary Use and Design Features

Tlingit Park passive community recreation area:

- year round use;
- restroom facilities;
- bandstand, shelter;
- small scale cooking;
- grassed, open space;
- pedestrian trail connecting Tlingit Park with Fort William H. Seward to the south and the Main Street shopping area to the north;

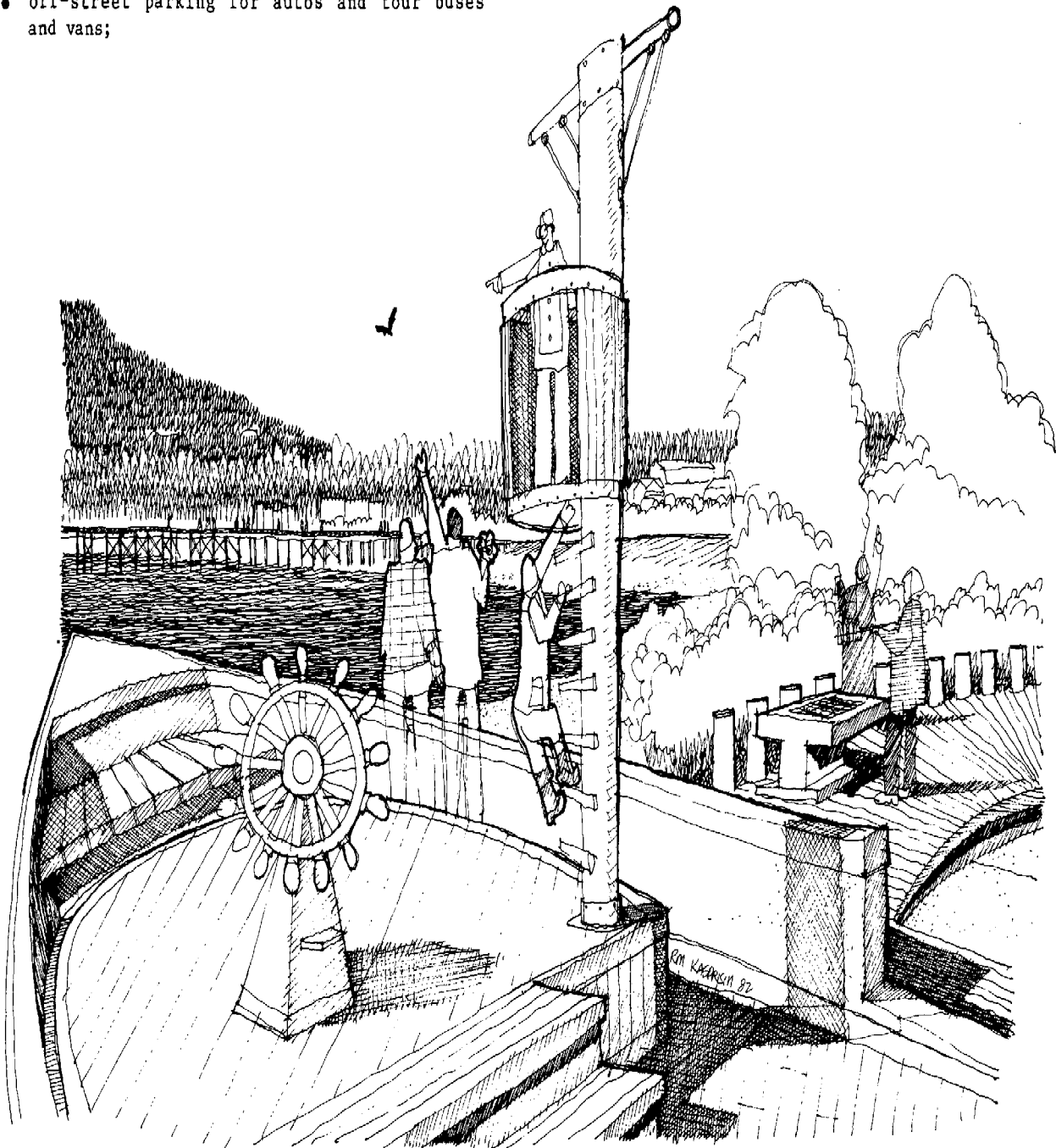


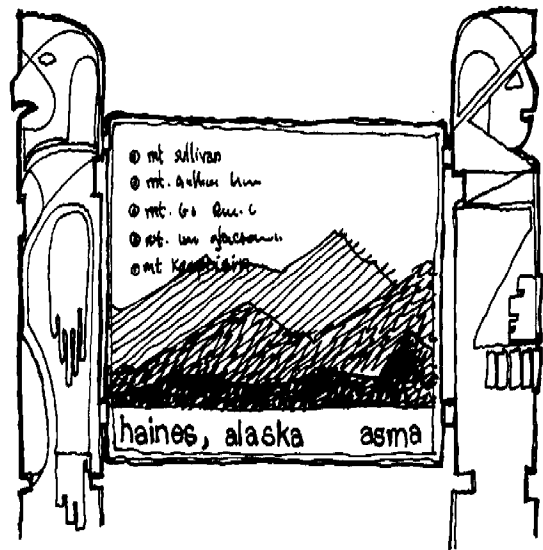
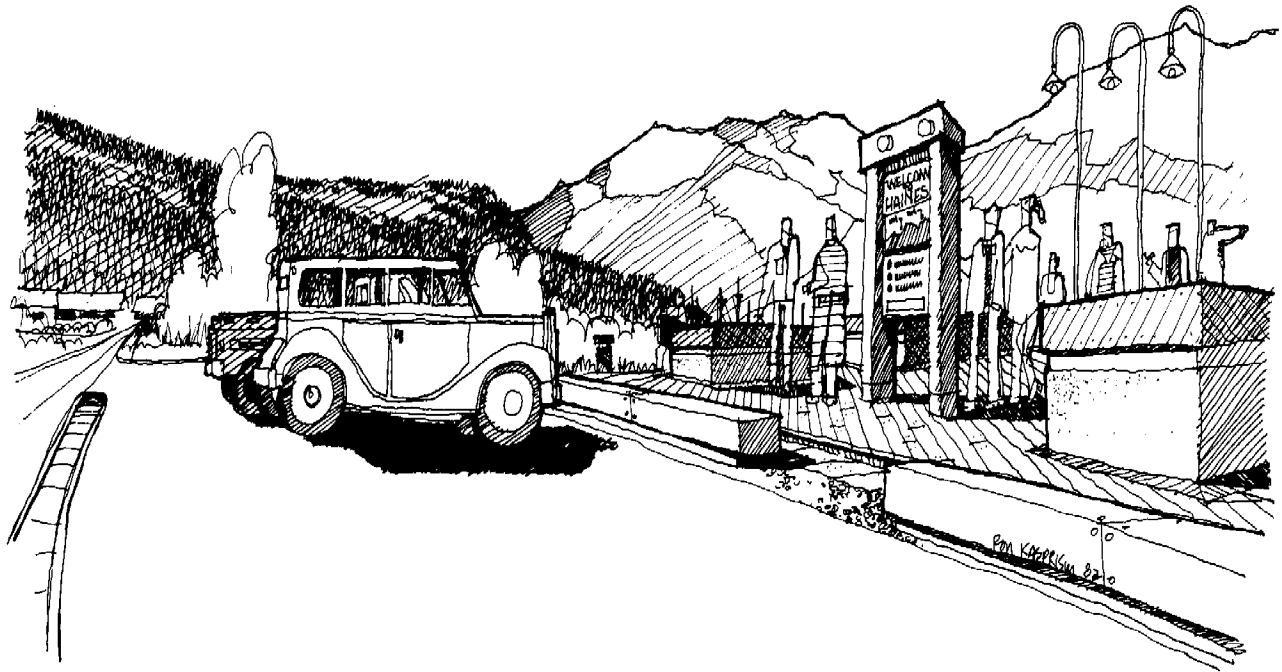
sdd2: lookout park



### Lookout Waterfront Park:

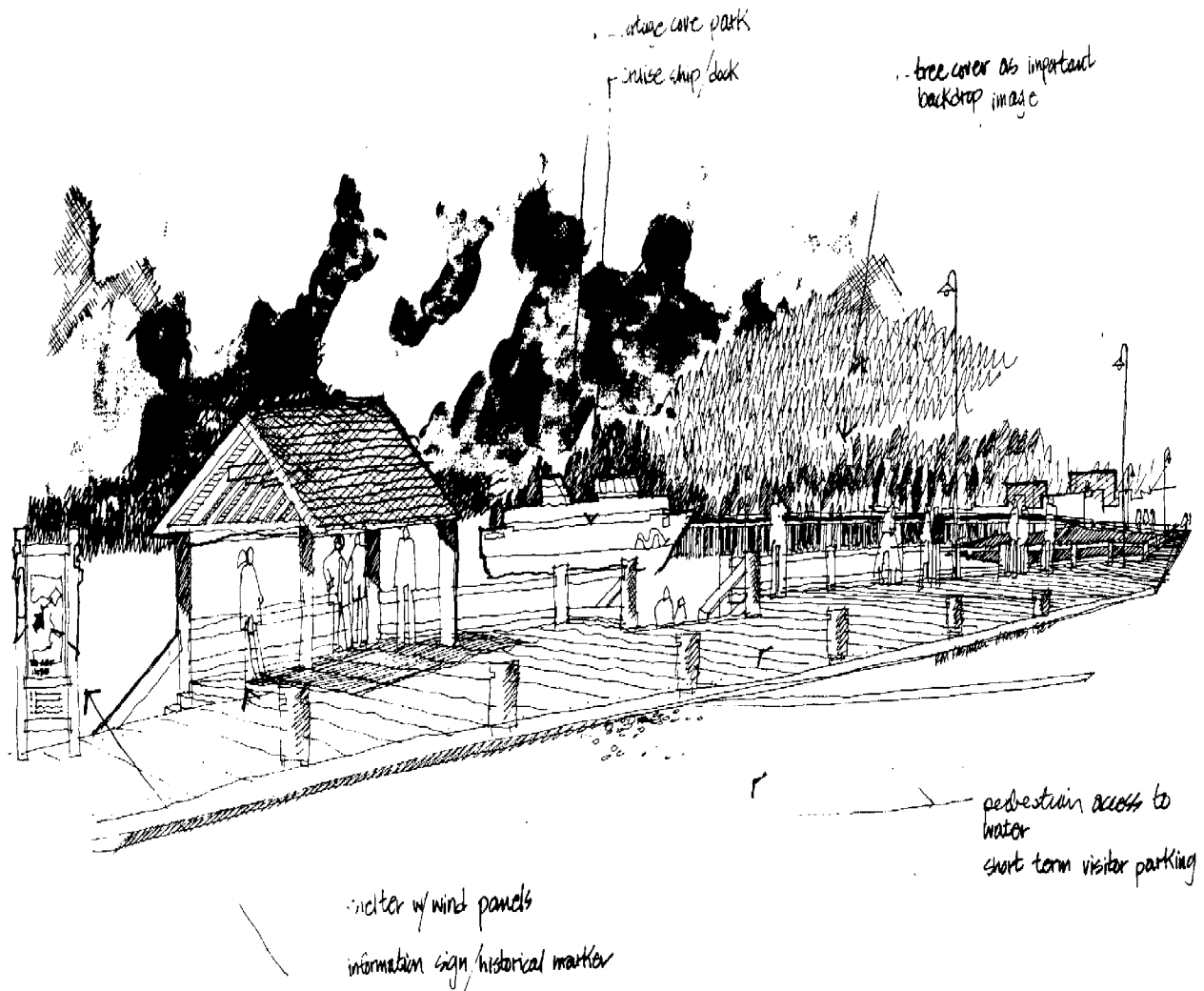
- waterfront park for seasonal viewing and creative play based on an image derived from local culture;
- information signs for location and identification of scenic views, historic, geographic and cultural aspects of the community and region;
- pedestrian and security lighting;
- off-street parking for autos and tour buses and vans;
- play sculpture utilized as a focal point as well as a vantage point;
- materials should be predominantly wood;
- park can be utilized for small formal and informal public gatherings.





The INFORMATION SIGN should reflect local culture, history, geography and art in its design and construction. The sign is a valuable tool in influencing and directing visitors to cultural as well as commercial activities in the City of Haines. Sensitive design and careful installation will contribute to the waterfront's overall image.

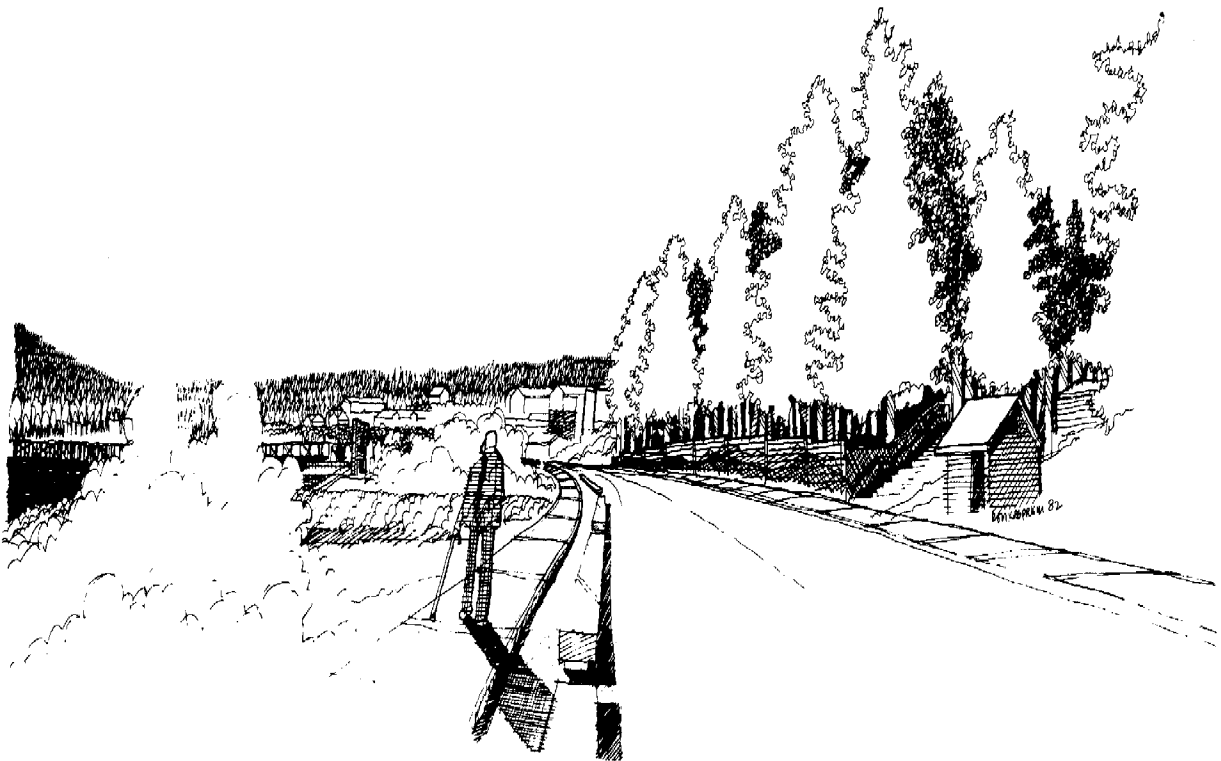
The sketch above illustrates conceptual features of the information sign including carved post supports and graphics portraying the viewshed.



Front Street right-of-way:

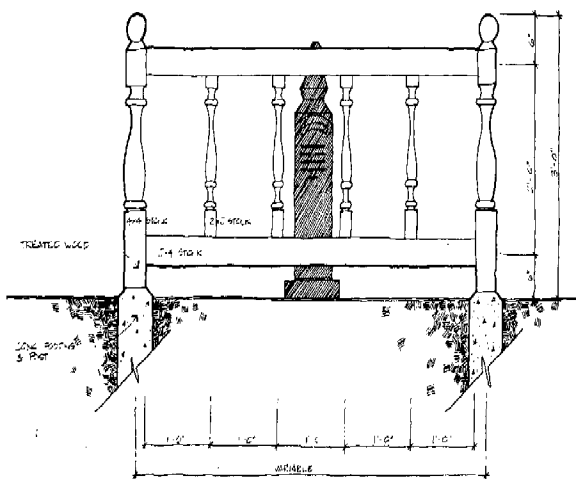
- controlled access from Lookout Point parking area;
- designated, painted, and signed pedestrian crosswalk from Lookout Park to Tlingit Park and Cemetery;
- safe and convenient access to beach;
- designation of natural-state beach walk;
- the existing outfall line and drainage should be maintained and extended to the north of Lookout Park and should become its northern boundary.
- improved stair access to Front Street and the waterfront.
- new pedestrian walkway extending along Front Street between Lookout Park and the Port Chilkoot dock; includes small viewing platforms with seating, access stairs to the beach and optional covered viewing areas.

The RETENTION WALL is an erosion control measure and should be constructed of wood or other visually "soft" materials.



# Tlingit Park Cemetery:

- designate as a community historic site and vantage point;
- restore the grave markers, wooden balustrades, and seating areas to a sound and aesthetic condition including proper foundations for markers, balustrades, and seating to protect against wind and snow damage;
- provide pedestrian lighting features within the cemetery for security and highlighting purposes;
- construct an erosion control wall along the east boundary of the cemetery parallel to Front Street; the retention wall should be designed as a backdrop for Lookout Park and constructed of materials compatible with local area characteristics.







A detailed description of each funding source is provided at the end of this chapter.

## funding sources

### • TLINGIT PARK CEMETERY RETENTION WALL

#### Design and Engineering

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

Budget Estimate: \$7,400

Purpose: Schematic design, Design Development,  
Construction Drawings and Engineering

#### Construction Funding

LEGISLATIVE APPROPRIATIONS to the City of Haines

### X • LOOKOUT PARK

#### Design and Engineering

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

Budget Estimate: \$16,000

Purpose: Schematic design, Design Development,  
Construction Drawings and Engineering

#### Construction Funding

LEGISLATIVE APPROPRIATIONS

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM, for improving public facilities  
at harbors and buildings, publicly-owned recre-  
ational facilities, to enhance an area's tourism  
industry.

### X • TLINGIT PARK CEMETERY RESTORATION

#### Design and Engineering

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

Budget Estimate: Option 1 - survey, layout origi-  
nal plots, markers, balustrade  
\$5,000

Option 2 - typical restoration  
details, furniture, balustrade  
appearance \$750

Purpose: Design and Construction Details for use  
by local residents

#### Construction Funding

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION  
Local Contribution of labor, materials and assembly

### X • PEDESTRIAN WAY

#### Design and Engineering

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: \$5,000 (for section along Front  
Street in Special Design District  
2)

Purpose: Schematic Design, Design Development,  
Construction Drawings and Engineering

#### Construction Funding

LEGISLATIVE APPROPRIATIONS

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM

DEPARTMENT OF TRANSPORTATION

DIVISION OF PARKS/TRAILS AND FOOTPATHS

# preliminary cost estimates

## Tlingit Park Cemetery Retention Wall and Stairs

Mobilization	1,500
Wood Wall and Braces (local installation)	2,000
Drainage Pipe . . . . 450 ft. -24" C.M.P. @ 22.00/ft.	9,900
Concrete Stairs . . . 2x20 ft. x 25 ft. x .83 - 27 x 165.00	5,072
Stair Railing . . . . 80 ft. x 15.00/ft.	1,200
Walk . . . . . 420 ft. x 6 ft. x 2.50	6,300
Drainage Structures 3 ea. @ 1,400.00 (MH, CB, Di, pipe)	4,200
General Fill . . . . 440 ft. x 124 s.f. - 27 x 3.00	6,062
Select Fill . . . . 420 ft. x 16 ft. x 1 ft - 27 x 5.00	1,244
Foundations . . . . 480 ft. x 3 s.f. - 27 x 120.00	6,400
Counterparts . . . . 20 ea. x 18 c.f. - 27 x 240.00	3,200
Pavement Patch . . . . 440 ft. x 3 ft. x 2.50 (Bit. conc. PVT)	
Bit. Curb . . . . . 440 ft. x 2.50	1,100
Lighting (Stairways)	2,000
<hr/>	
Subtotal	47,478
Multiplier 1.55 (wage and cost factor, escalation/inflation, architect/engineer fees)	<u>73,480</u>

X OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Up to \$50,000

### Lookout Park

Mobilization . . . . .	5,000
Bit. Conc. Pavement. . 6,000 s.f. x 1.85 . . . . .	11,100
Separator Islander . . 120 ft. x 8 ft. x 2.00 . . . . . (pavers)	1,920
Bollards . . . . . 40 + 75.00 ea. . . . .	3,000
Pavers (Walk) . . . . 6,000 s.f. x 2.00 . . . . .	12,000
Curbing. . . . . 250 s.f. x. 12.50 . . . . . (Straight,curved)	3,125
Wood Decking . . . . . 1,400 s.f. @ 15.00 . . . . . (w/o piles)	21,000
Misc. Wood Appurtenances . . . . . (stairs, signs, benches, furniture)	17,500
Railing . . . . . 150 ft. x 12.00 . . . . .	1,800
Lighting Standards . . 5 x 8.00 . . . . .	4,000
Plantings . . . . . 6 ea. @ 450 . . . . . (including topsoil,etc.)	2,700
Piling . . . . . 15 x 35.00 . . . . .	525
Pile Drivings . . . . 15 x 10 ft. x 18.00 . . . . .	2,700
Wood Preservatives . . . . .	1,000
Concrete Foundation . . . . .	2,600
Excavation/Embankment/Compaction . . . . .	6,250
Walk . . . . . 120 ft. x 6 ft. x 2.50/s.f. . . . .	1,800
<hr/>	
Subtotal	103,020
Multiplier 1.55 (wage and cost factor, escalation/inflation, architect/engineer fees, contingencies) . . . . .	<u>.159,681</u>

Selective Tree Thinning Along Front Street

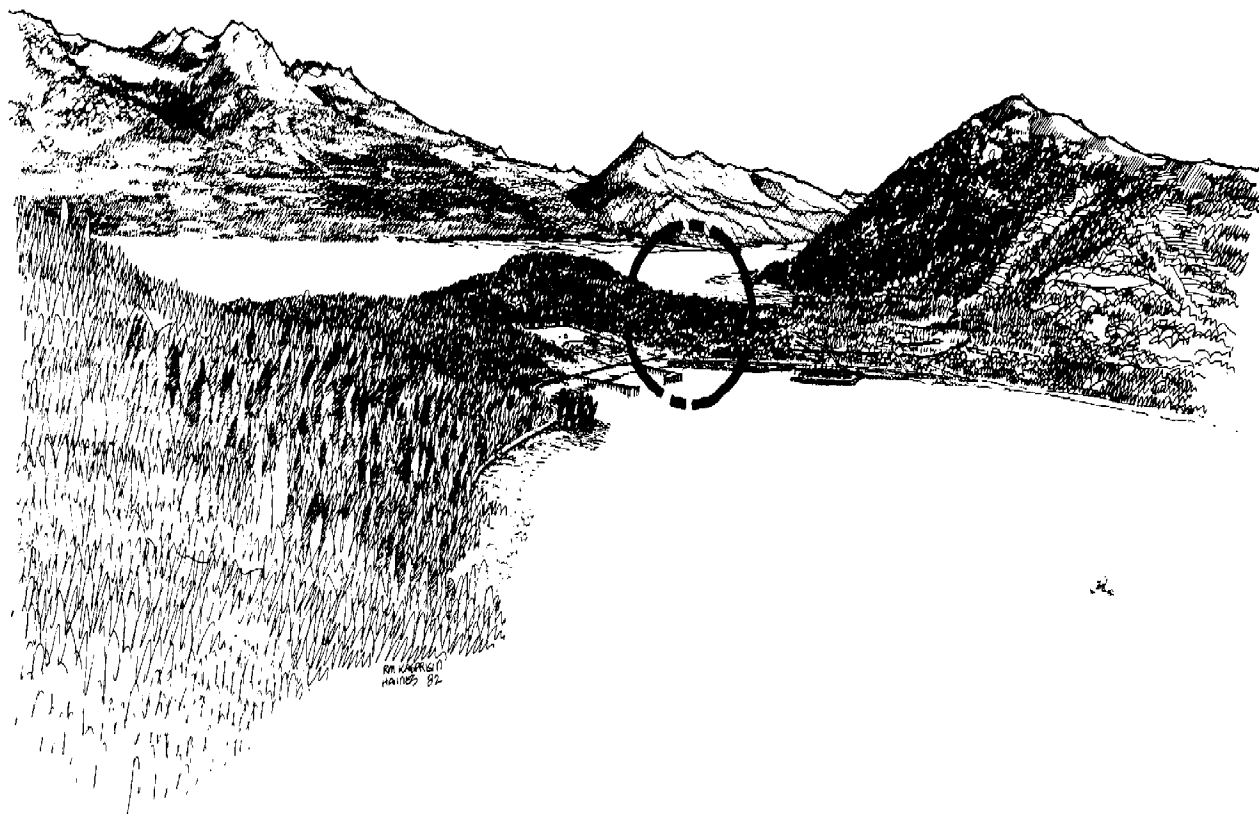
Clearings and Grubbing of Scrub Trees and Underbrush 2.6 acres @ 2,000/ac. . . . . 5,200

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Subtotal . . . . . 5,200

Multiplier 1.40 (wage and cost factor, escalation/inflation,  
contingencies) . . . . . 7,280

This project could be a LOCAL CONTRIBUTION project, greatly reducing the above costs.



design  
district 3  
transition zone

District 3: Transition Zone. This district includes the Chevron bulk storage facility, the Mud Bay Road/Haines Cut-off Highway intersection area, commercial uplands, and unimproved private sector tidelands.

Organizing Structure or Principle

The bulk storage facility is a dominant form located at a primary entrance to the Fort Seward area. The facility becomes a landmark, an edge to the Tlingit Park district, and a screen between the waterfront and upland commercial uses. Coupled with the intersection's road right-of-way, the tank facility divides this transition zone into segmented development parcels somewhat buffered from historic and open space areas.

Primary Uses and Design Features

Chevron bulk storage facility:

- maintain in a safe and aesthetic manner with improved landscaping along the Front Street slope.

Commercial development between Mud Bay Road and Haines Cut-off Highway:

- office retail and general commercial use with off-street parking;
- upland boat storage and repair service area.

Intersection of Mud Bay Road and Haines Cut-off Highway:

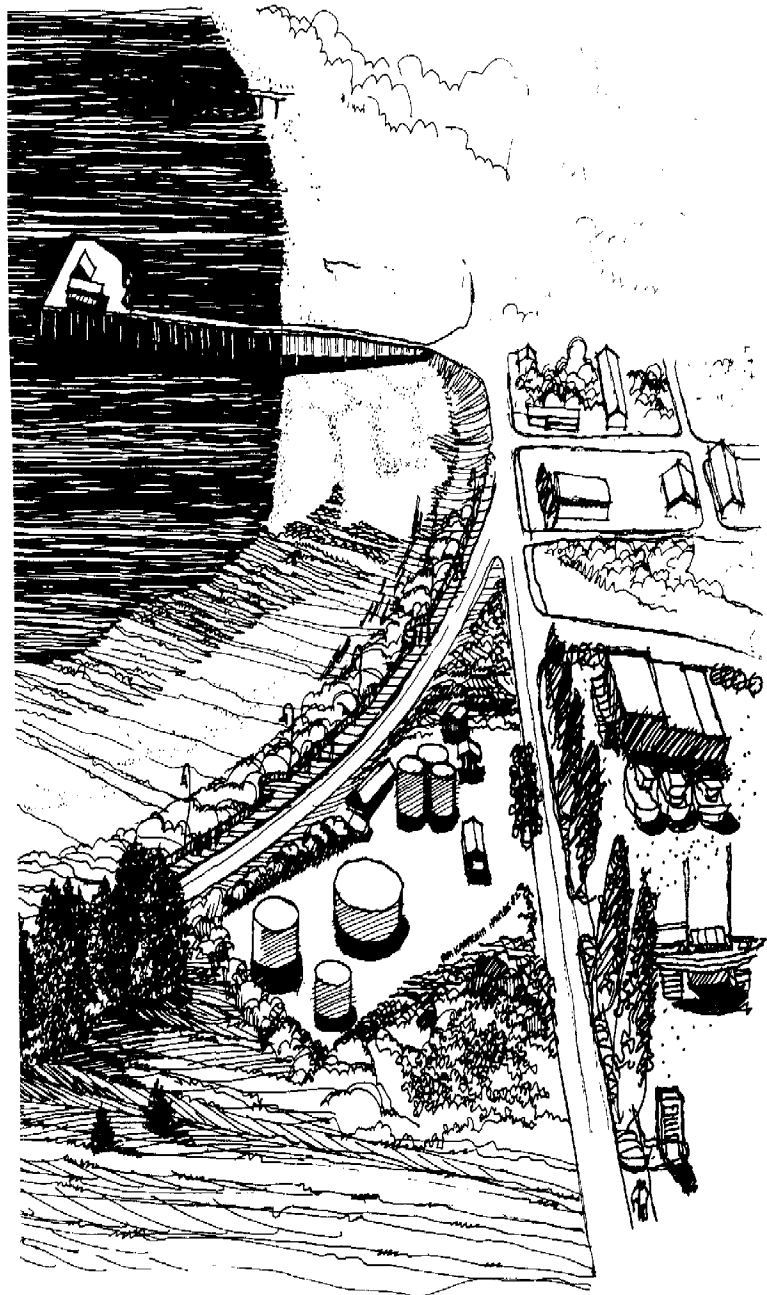
- maintain safe sight lines for all directions of traffic due to obtuse angle of intersection and change in elevation on approaches;
- landscape the lower Totem restaurant site in a manner not obstructing vehicular line of sight at the intersection.

Waterfront area:

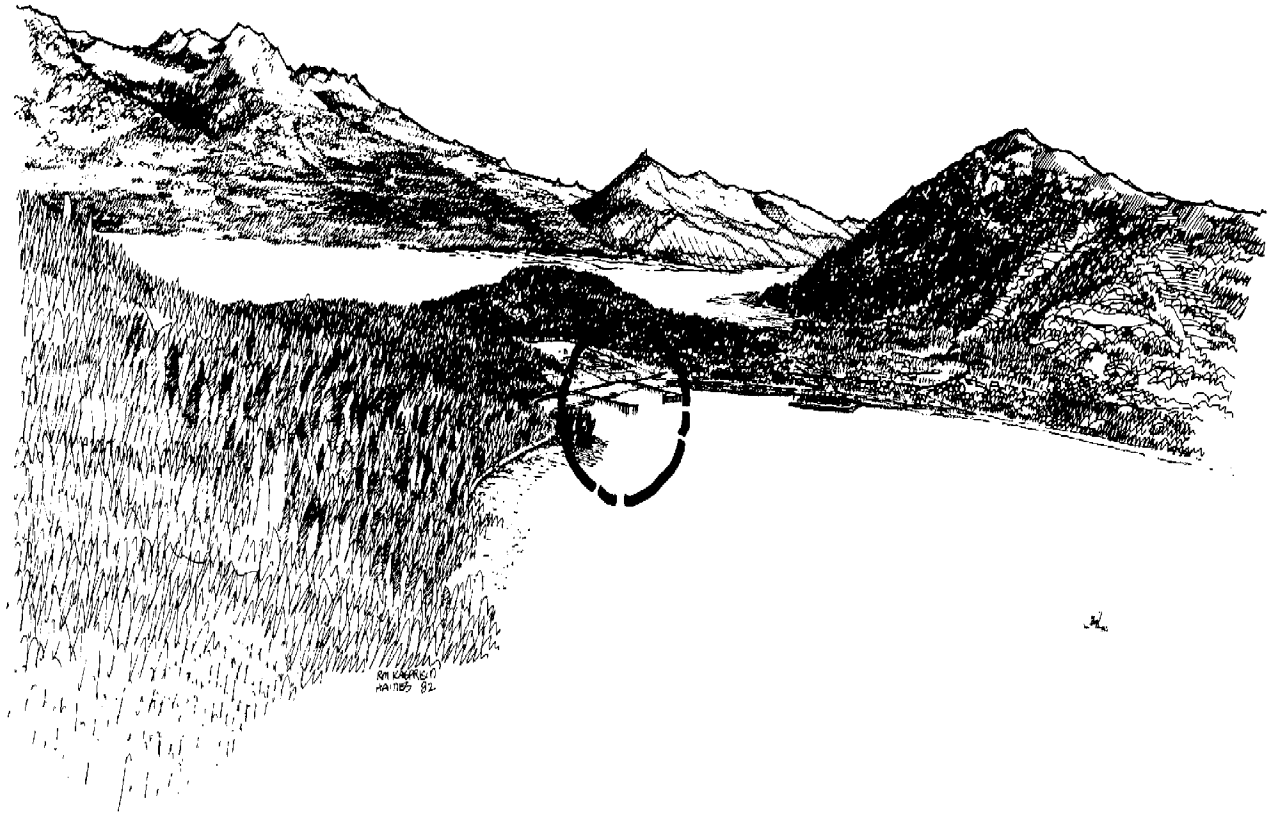
- the beach area should remain in a natural state;
- a pedestrian sidewalk or trail should be provided along Front Street to connect Lookout Park to the Fort Seward waterfront area;

- building development on the tidelands would be difficult from a construction standpoint for small scale structures; development is not ruled out due to lesser negative impacts on upland uses. Any proposed development should meet shoreline management objectives and be water-related or water-dependent low intensity uses. Parking is limited due to location and should not occur along waterfront; residential uses are not water-related and not compatible in close proximity to an oil bulk storage facility.

- selective clearing of scrub trees and bushes should occur along entire district waterfront.







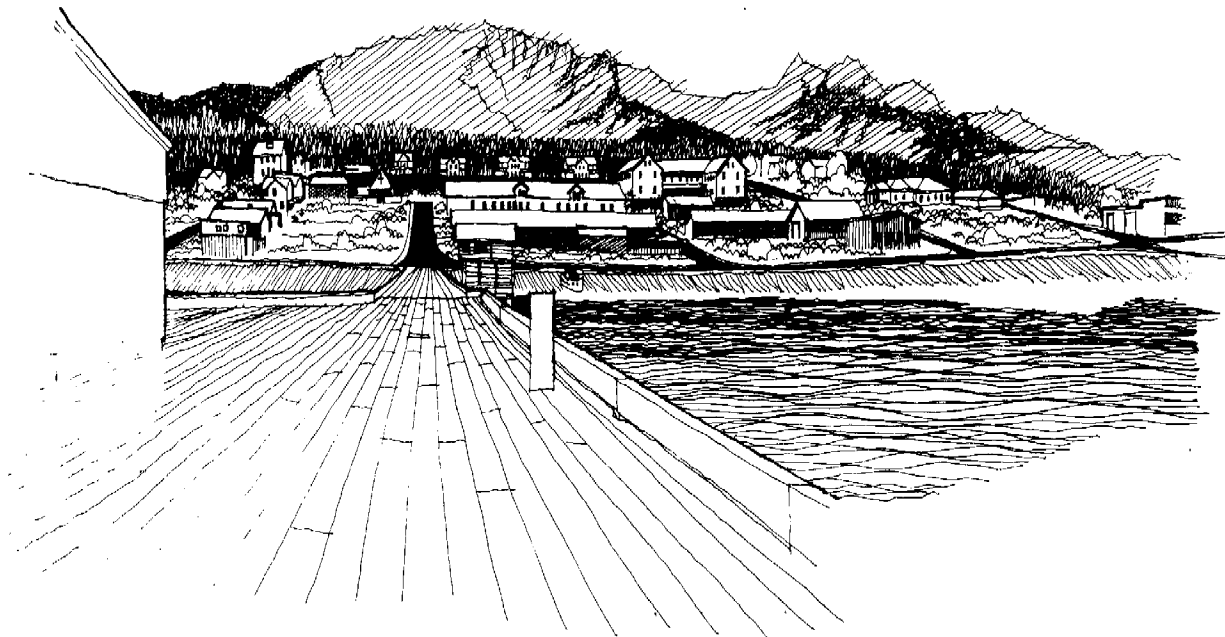
design  
district 4

lower fort william h. seward

District 4: Lower Fort William H. Seward. This district encompasses the lower slope portion of Fort William H. Seward from the alley northeast of the barracks buildings to Port Chilkoot dock and between Totem Street and the service road south of the Chilkat Center for the Performing Arts.

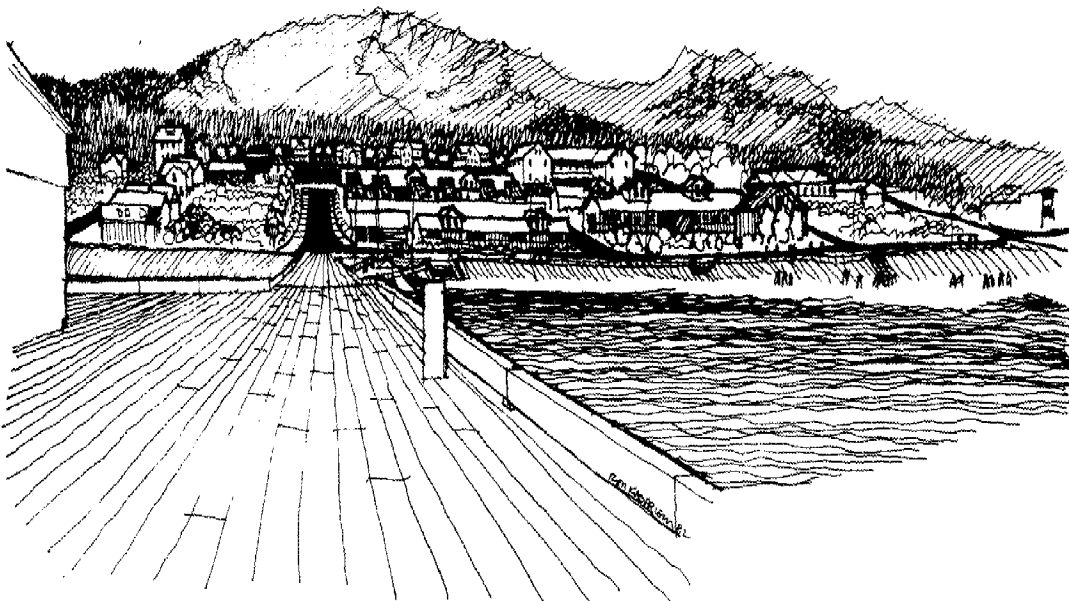
The lower fort area is characterized by one to one and one-half story structures, narrow and linear in form, located parallel to the topography. Historically these structures were used as storage and wagon sheds as well as mule and horse barns. The first building constructed at the job site, the communications building, still stands at the intersection of Beach Road and Portage Street.

The former NCO housing, referred to as "Soap Suds Alley", historically linked the waterfront to the parade grounds.



Recommendations for the lower fort area include a combined adaptive re-use rehabilitation program and new building in-fill construction. New and expanded use of the area could include marine-related commercial and visitor-industry retail as well as cultural, arts and education-related uses.

New buildings should retain the long low linear characteristics of existing structures, maintaining established roof pitches and building proportions. Existing historic fort structures should be rehabilitated with at least 75% of the historic exterior facade retained, benefiting the overall area image as well as providing substantial tax credits to owners and/or tenants.



### Organizing Structure or Principle

The historic and still functional building pattern is recommended for continuance for new as well as remodeled structures.

Reinforcing this pattern are three cross slope pedestrian and/or vehicular routes connecting the upper fort and parade ground with the waterfront area. These "spines" consist of:

- Totem Street for vehicular access and supportive pedestrian use;
- Portage Street for vehicular access, major pedestrian use, and visual access from the Port Chilkoot dock;
- "Barracks Promenade" for major pedestrian use and service vehicle access.

Retain and protect the existing residential community.

Soap Suds Alley open space should be retained.

Visual and pedestrian access from the dock to "Barracks Promenade" will reinforce use of the lower slope core area.

The former barracks buildings should be rebuilt to the scale of the original structure.

Landscaping should be designed to define and highlight exterior spaces.

Completing the organizing structure for the lower fort area is the waterfront itself. It constitutes an area where the fort literally reaches into the water, providing a dramatic entry point to the city and fort area. In addition, the relative north-south; orientation of the waterfront connects the Fort Seward districts to the remaining AMSA.

### Primary Uses and Design Features

Special education facility and visitor industry development:

- Three significant major event options are recommended for further research and eventual development and implementation for Fort William H. Seward which affect the lower district, namely:

- a university/community college scaled facility operating a local, regional, and state-wide center for the theatre arts, fine arts, and arts associated with regional culture;
- a conference center supported by local, regional, state-wide, and national activities diverse in program type; such a facility would provide extended housing, recreation opportunities, and conference facilities; management would be through a public-private corporation;
- visitor industry facilities using the existing and developing arts and drama facilities as a base. National, regional and state-wide art festivals could become consistent annually using the entire fort area.

### Soap Suds Alley Neighborhood

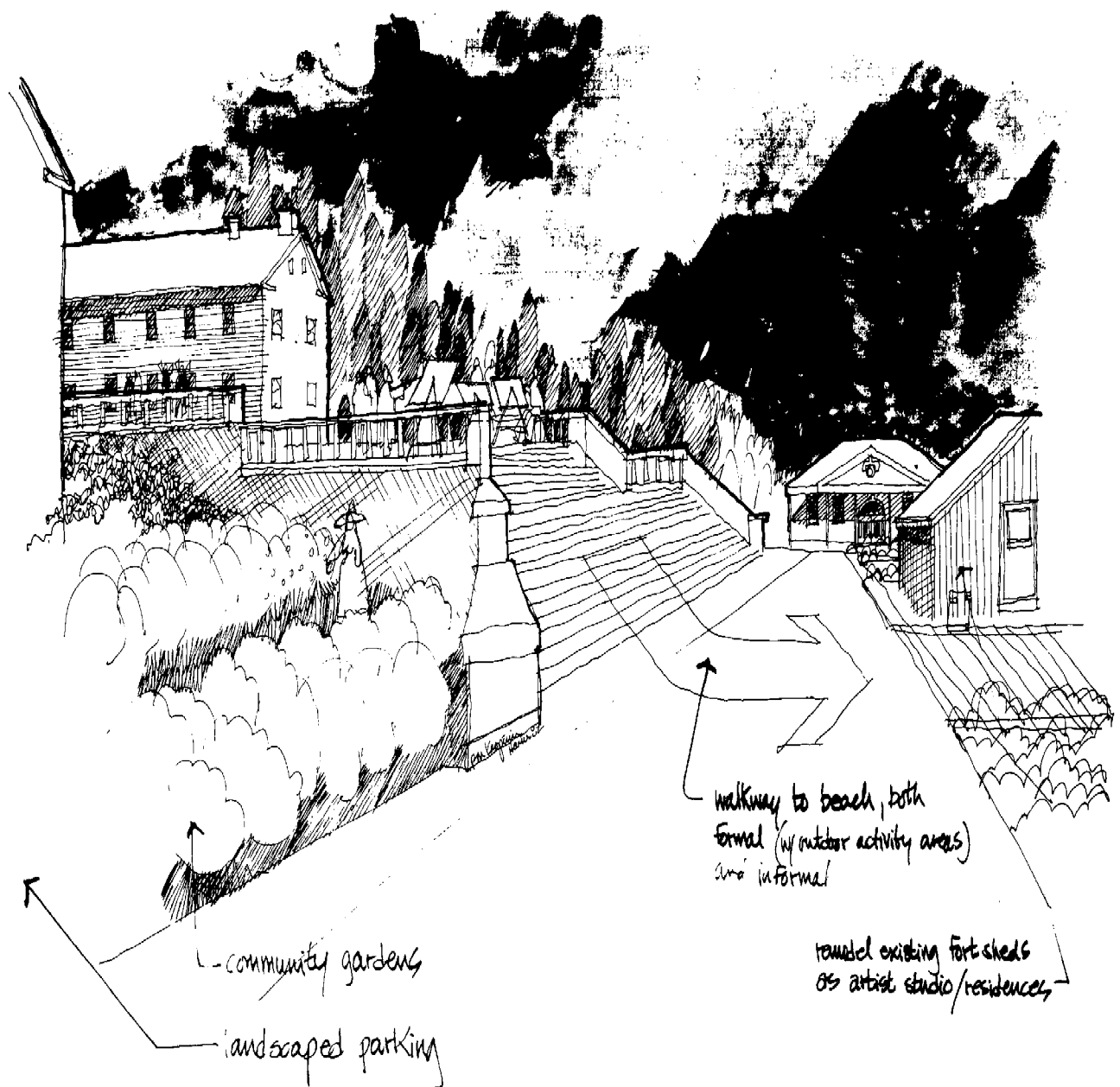
- The scale, construction, design and grouping of the former NCO housing, Soap Suds Alley, is difficult to duplicate and should be preserved, reinforced and enhanced as a quality residential neighborhood.

### Marine Oriented Uses

- Marine water-oriented and/or dependent uses can coexist along Beach Road and the waterfront. The diversity of these uses should provide a complementary and supportive level of interest and activity to the new major event uses suggested above.

### Open Space and Views

- Usable open space in the form of outdoor courtyards should be required as part of any new development within the lower fort area, regardless of use. Space in between buildings can effectively be utilized for both parking and seasonal outdoor passive recreation, work, and exhibit areas.
- Views through to Portage Cove and surrounding mountains should be preserved in view corridors along Totem Street, Portage Street, and Barracks Promenade.

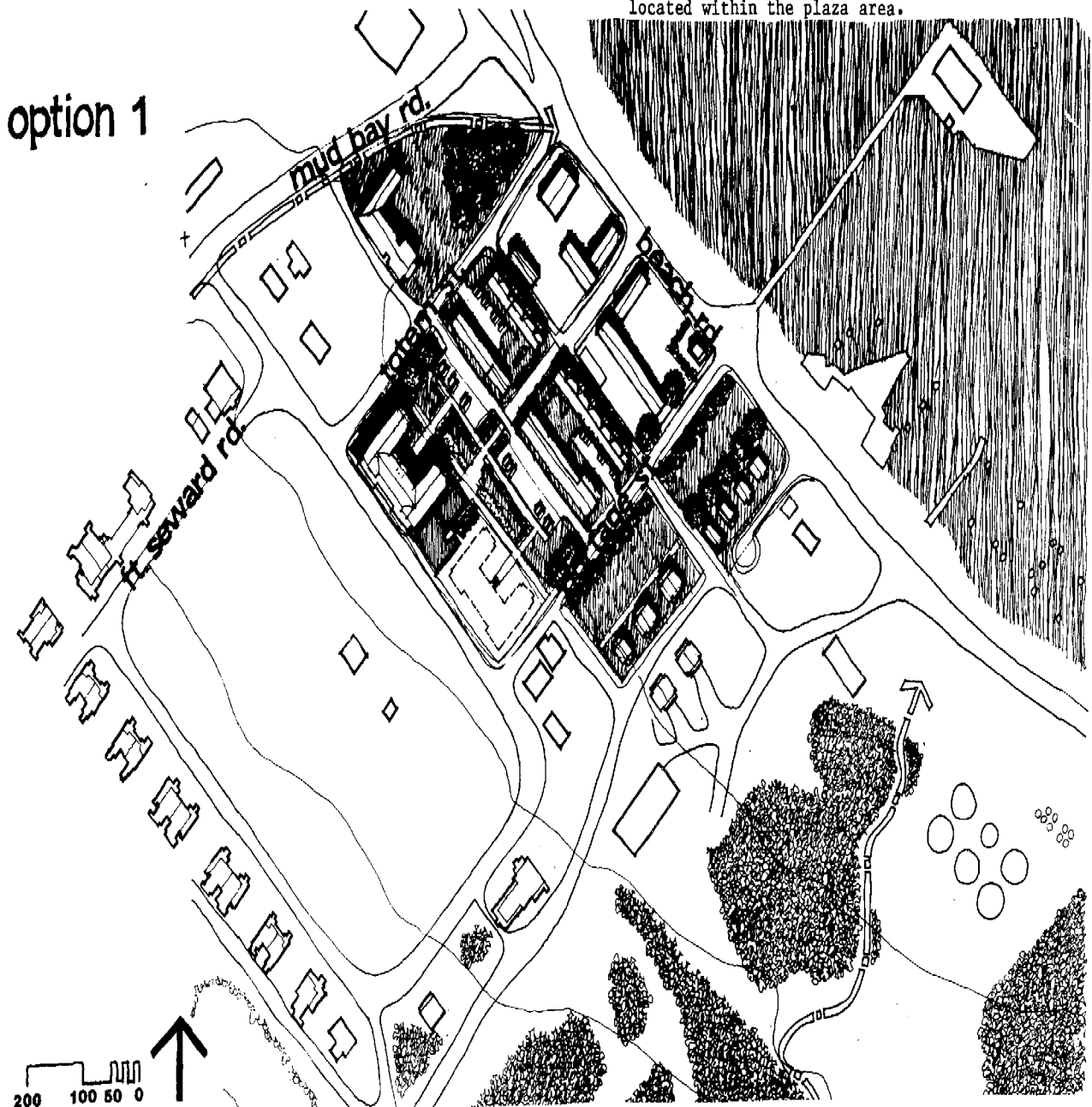


## Design Options for Private Lands

A wider range of designations exists for private lands, yet need to be coordinated with public improvements. Therefore, a range of options is depicted for consideration and as design guidelines which highlight and reinforce the living and work environment of the lower fort area as well as increase the overall private sector development potential.

### Open Space: Barracks Promenade and Plaza

- Option 1 - a wide stepped wooden promenade descending from Ft. Seward Road in between the Barracks down to Building #37. The promenade becomes part of a service road for one block, then is re-established as a pedestrian promenade to Beach Road. As the promenade enters the open space immediately down slope from the barracks buildings, it widens into a plaza complete with vertical sculpture (totem poles), seating areas, exhibit areas, and standards for temporary cover, and low unobstructive landscaping. Associated with the plaza could be a small community garden and visitor and staff parking along with general recreation space. A restroom facility should be located within the plaza area.



All landscaping patterns in Option 1 are perpendicular to the water, mountains, and fort so as not to obstruct views.

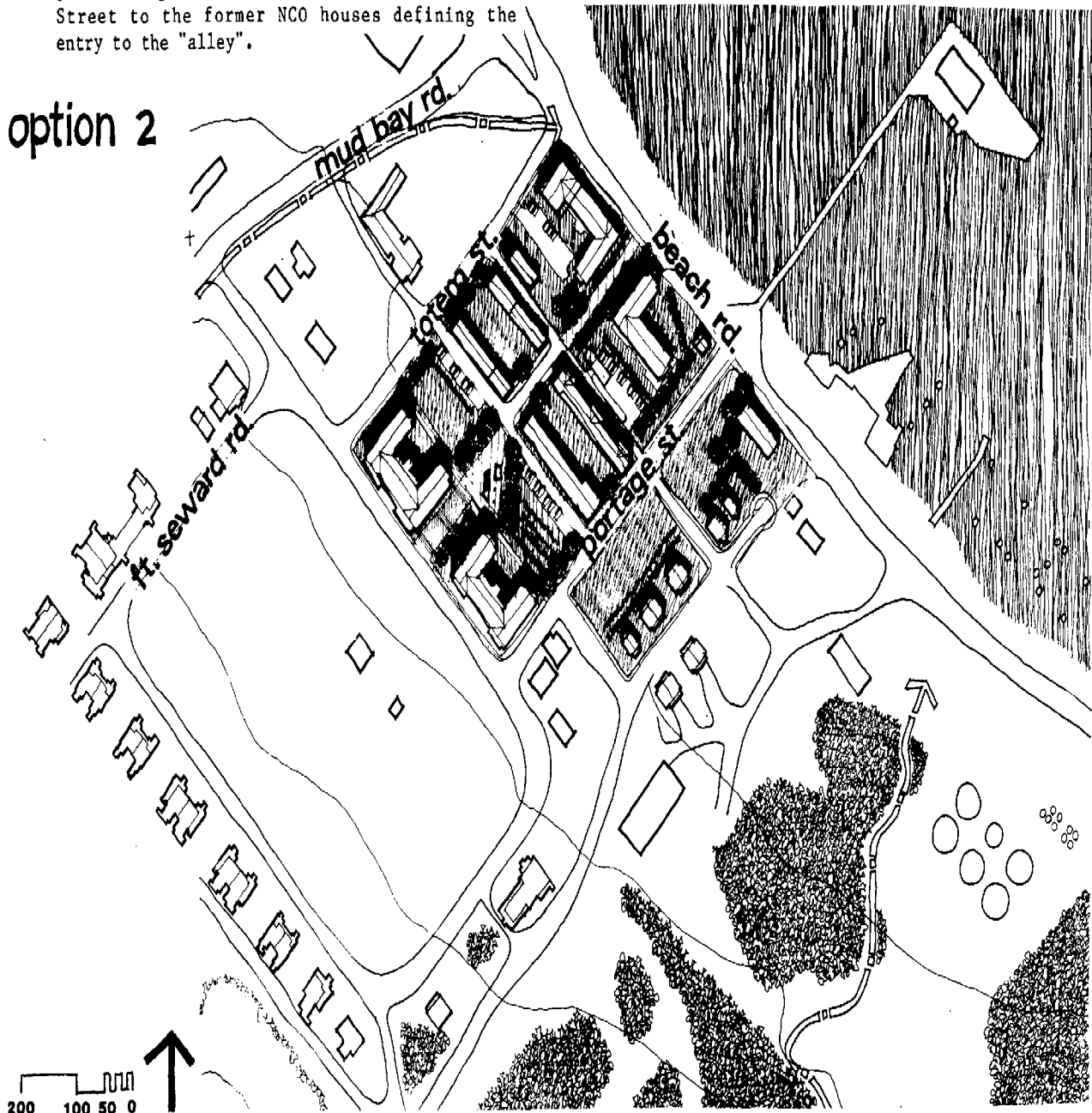
- Option 2 - depicts interior-block parking integrated with general landscaped open space areas.

Open Space: Soap Suds Alley

- Option 1 - low level landscaping is located close in to the residences to define the limit to the "alley" open space corridor perceived as a public place; larger trees stepped back from Portage Street to the former NCO houses defining the entry to the "alley".

- Option 2 - low level landscaping is located immediately adjacent to Portage Street to define the initial view corridor. Soap Suds Alley open space becomes more "off-limits" to public trespass while remaining visually accessible. Larger trees are planted along the lower portion of the "alley" to enhance the entry to the district.

option 2



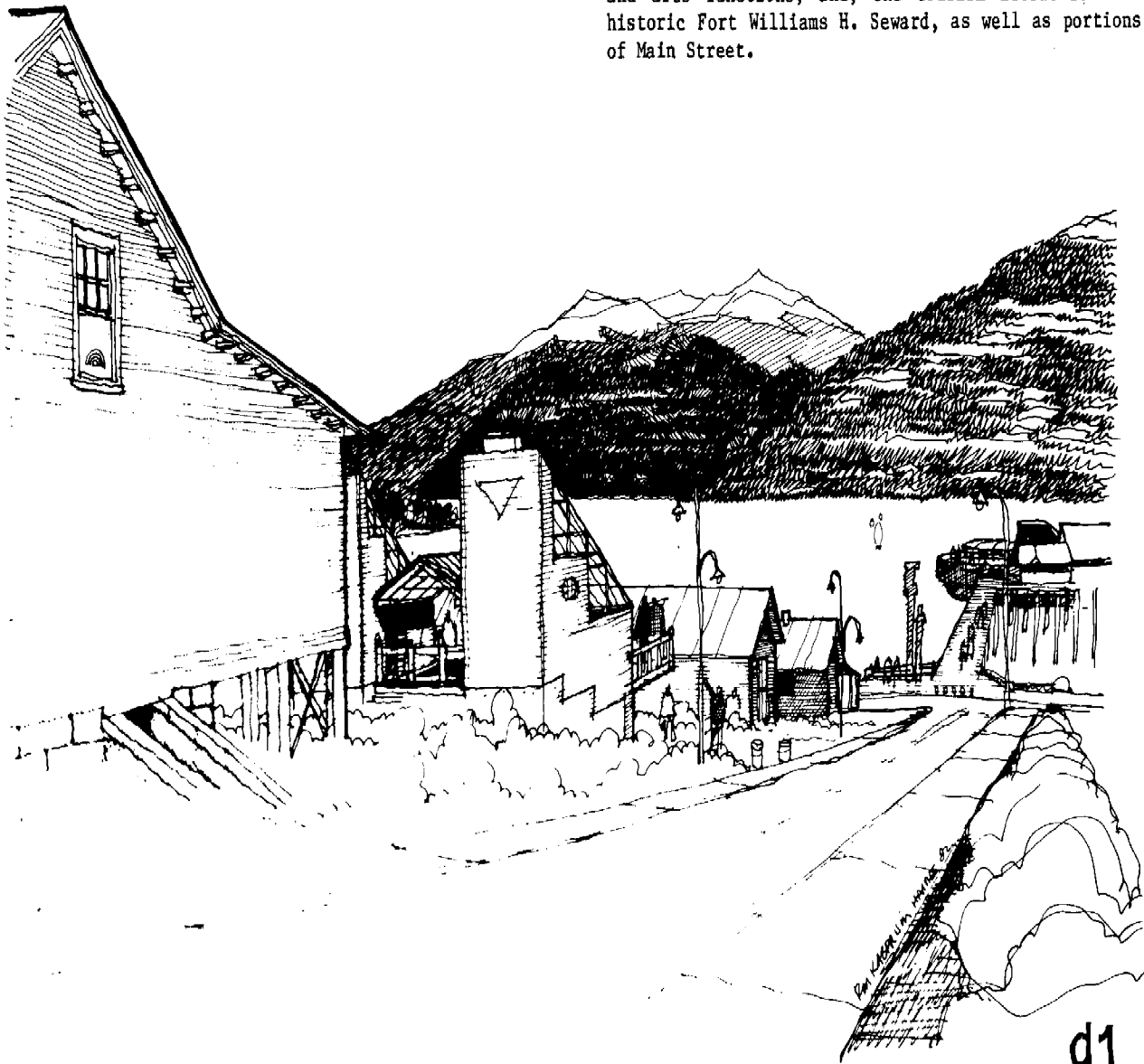
### Circulation and Parking

- All options for the lower fort district depict common off-street parking areas; these off-street areas can also assist in winter snow plowing efforts, providing larger surface areas on which to store snow. The development of these parking areas can be implemented and managed by a corporation consisting of area owners.
- The street patterns in Option 1 and Option 2 depict both Totem and Portage Streets as collector streets connecting the district to Beach Road and Mud Bay Road via Fort Seward Loop. Barracks Promenade, between Portage and Totem Streets, is used as an access road to parking, delivery and

service as well as a pedestrian way. Various options exist, of equal merit, regarding the specific location of street use for through vehicles. As development plans progress within the private sector, these decisions can be finalized. Option 1 depicts Barracks Promenade vacated for vehicular access (except emergency vehicles) between Beach Road and the next parallel cross street; Option 2 depicts the street as operational between Beach Road and the next parallel cross street.

### Building Development Opportunities

Development within the lower fort district will be influenced by increase cruise ship trade; national and state exposure of the area resulting from festivals and arts functions; and, the tourism attraction for historic Fort Williams H. Seward, as well as portions of Main Street.



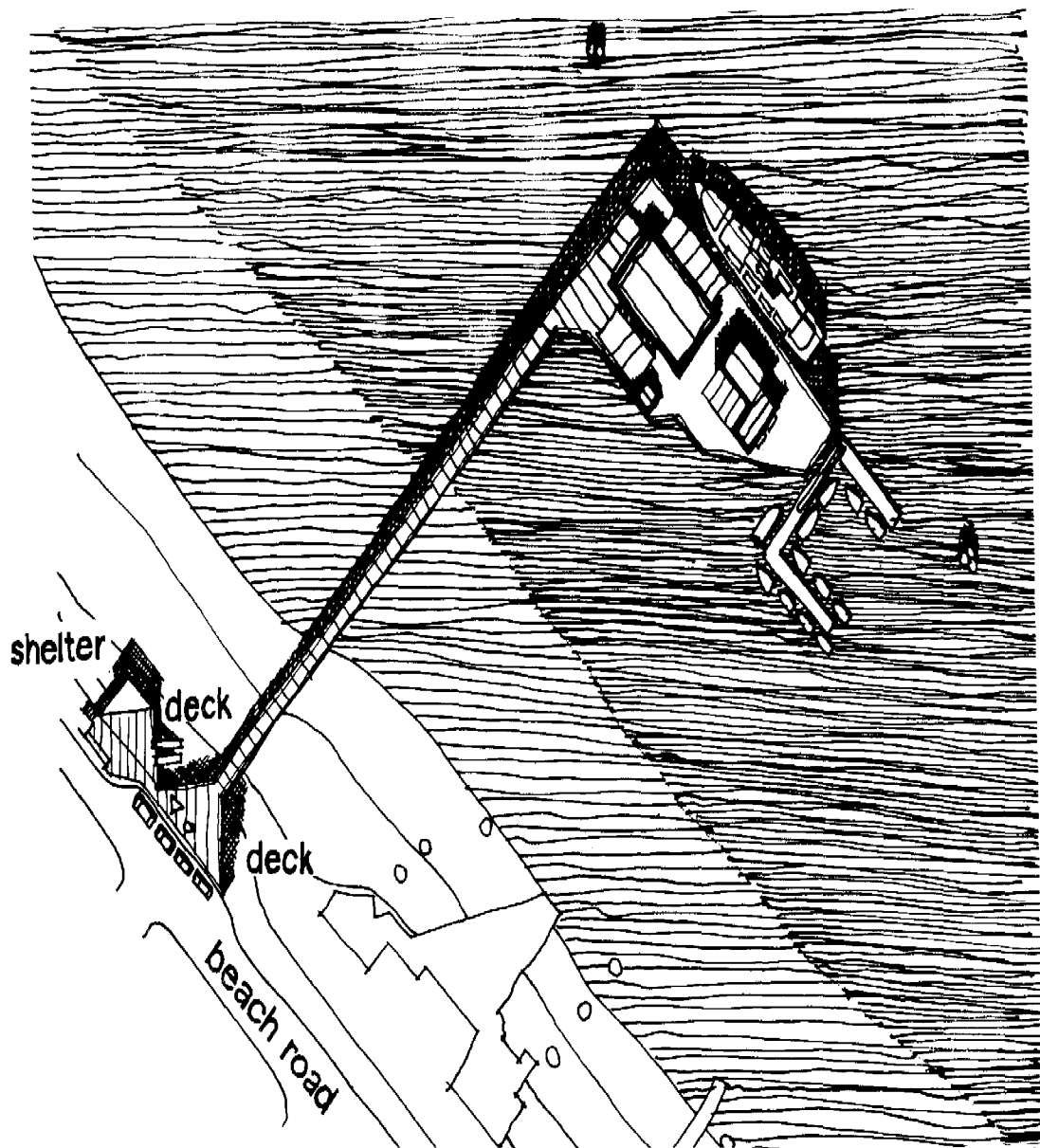


• access to the waterfront.

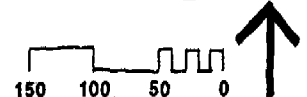
- Portage Cove Viewshed;
- primary pedestrian access along Portage Street;
- adjacent and surrounding fort warehouses located parallel to the topography lines, in a narrow linear building pattern;
- one story structures;
- parallel open space between buildings for common parking, service and outdoor activities;
- north to northeast daylight exposure, greatly reduced during the winter season;
- access to the waterfront.

Port Chilkoot Dock:

- Port Chilkoot Dock should continue to be restored for safety and structural integrity using materials similar with the original construction;
- the dock runway should be reinforced to accommodate visitor buses or vans during inclement weather, and if feasible for safety;
- moorage floats for commercial fishing boats, rental, and charter pleasure boats, and privately owned recreational craft should be developed at the base of the main dock;
- the existing lease arrangement for the dock needs to be modified to allow public access for recreational purposes such as a public fishing pier, charter and rental boats;
- the City of Haines should control the dock and its activities either through direct ownership or a long term lease.



chilkoot dock site plan



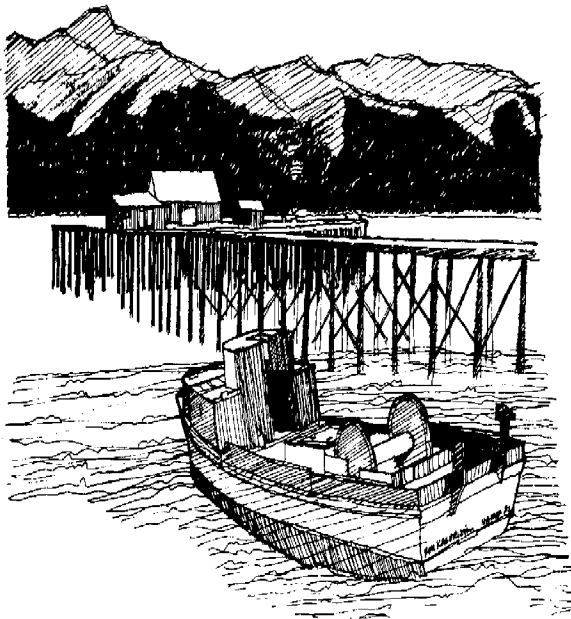
Fort Seward Waterfront Park and Boardwalk:

- develop a park which meets the specific needs of the local community, Fort Seward neighborhood, and seasonal visitors; this park should include:
  - a natural beach area for walking and swimming;
  - a lower level play sculpture-park which utilizes local animal sculptures for slides to the beach and as creative play areas;
  - a higher level viewing platform for a "parents-watch", visitors' viewing area, and general seating area;
  - all levels are accessible from one another, integrating the upper boardwalk level with the beach through a series of differing recreational experiences.
- develop a pedestrian way along the Fort Seward waterfront from the Mud Bay Road intersection to Port Chilkoot Dock;

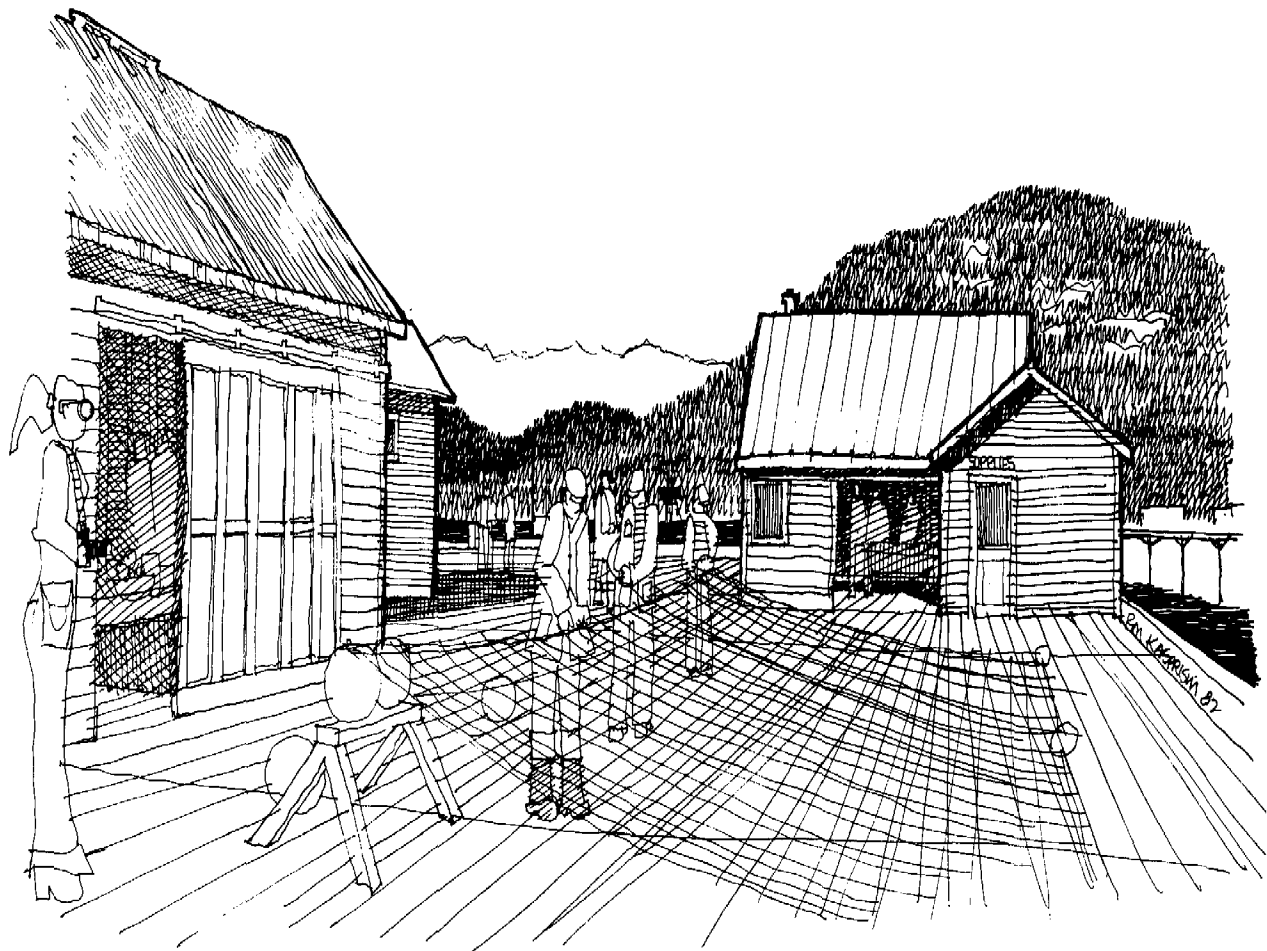
- a small formal plaza with bus/van cut-in lane should be developed at the entry to the Port Chilkoot Dock including:

information sign indicating location relative to area facilities, the cultural and historic background of the City as well as physiographic data about the mountains and bodies of water;

totem poles and other vertical artworks.



- additional structures should be considered for the main dock, utilized as community meeting areas, seasonal retail sales areas, and commercial fishing storage and work areas;
- the main existing structure should be restored as a community meeting hall and multi-purpose building, varying in use by season;







# funding sources

- FORT WILLIAM H. SEWARD WATERFRONT PARK

Design and Engineering

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

CITY OF HAINES  
MAYOR AND CITY COUNCIL

Budget Estimate: \$4,700

Purpose: Schematic Design, Design Development,  
Construction Drawings and Engineering

Construction Funding

LEGISLATIVE APPROPRIATIONS

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Up to \$50,000

- PORT CHILKOOT DOCK (Assuming City Ownership)

Design and Engineering

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

CITY OF HAINES  
MAYOR AND CITY COUNCIL

Budget Estimate: \$30,000

Purpose: Schematics, Design Development, Construc-  
tion Drawings, Engineering

Construction Funding

LEGISLATIVE APPROPRIATIONS

FARMERS HOME ADMINISTRATION COMMUNITY FACILITY  
LOAN PROGRAM

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Up to \$50,000

- LOWER FORT WILLIAM H. SEWARD PRIVATE SECTOR

Historic Structures, adaptive Re-use

ECONOMIC RECOVERY TAX ACT, INVESTMENT TAX CREDITS

New construction (with various conditions and  
requirements)

COMMUNITY DEVELOPMENT BLOCK GRANTS  
ECONOMIC DEVELOPMENT ADMINISTRATION BUSINESS AND  
INDUSTRY LOAN  
SMALL BUSINESS ADMINISTRATION 502 PROGRAM  
FOUNDATIONS  
UNIVERSITY OF ALASKA

A detailed description of each funding source is  
provided at the end of this chapter.

- PEDESTRIAN WAY

Design and Engineering

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: \$12,500

Purpose: Schematic Design, Design Development,  
Construction Drawings and Engineering

Construction Funding

LEGISLATIVE APPROPRIATIONS

FARMERS HOME ADMINISTRATION COMMUNITY FACILITY  
LOAN PROGRAM, for essential facilities maintaining  
or expanding employment opportunities;

ECONOMIC DEVELOPMENT ADMINISTRATION PUBLIC WORKS  
ASSISTANCE PROGRAM, for improving public facilities  
at harbors and building publicly-owned recreational  
facilities to enhance an area's tourism facility.

OFFICE OF COASTAL ZONE MANAGEMENT  
STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Budget Estimate: Up to \$50,000



# preliminary cost estimates

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## Fort William H. Seward Waterfront Park

Mobilization . . . . .	3,000
Bit. Conc. Pavement. . 1,500 s.f. x 1.85 . . . . .	2,775
Curbing . . . . . 185 ft. x 2.50 . . . . .	463
Wood Decking (on Posts) 800 s.f. x 15.00 . . . . .	12,000
Wood Railings . . . . 120 l.f. x 12.00 . . . . .	1,440
Light Standards . . . 8 @ 400 . . . . .	3,200
Misc. Wood (stairs, signs, furniture) . . . . .	2,500
Shelter . . . . .	2,600
Totem Sculpture . . . . .	1,000
Posts . . . . . 65 x 18.00 . . . . .	1,170
Wood Preservatives . . . . .	300
Concrete . . . . .	1,000
Shelter . . . . .	5,000
<hr/>	
Subtotal . . . . .	33,748
Multiplier 1.55 (wage and cost factor, escalation/inflation, architect/engineer fees) . . . . .	<u>52,309</u>

Port Chilkoot Dock Modification

Repair/Replace Deck on Dock . . . . .	57,600
Repair/Replace Pilings/Pier . . . . .	2,000
Repair/Replace Pilings/Dock . . . . .	8,000
Buildings Renovation . . . . .	150,000

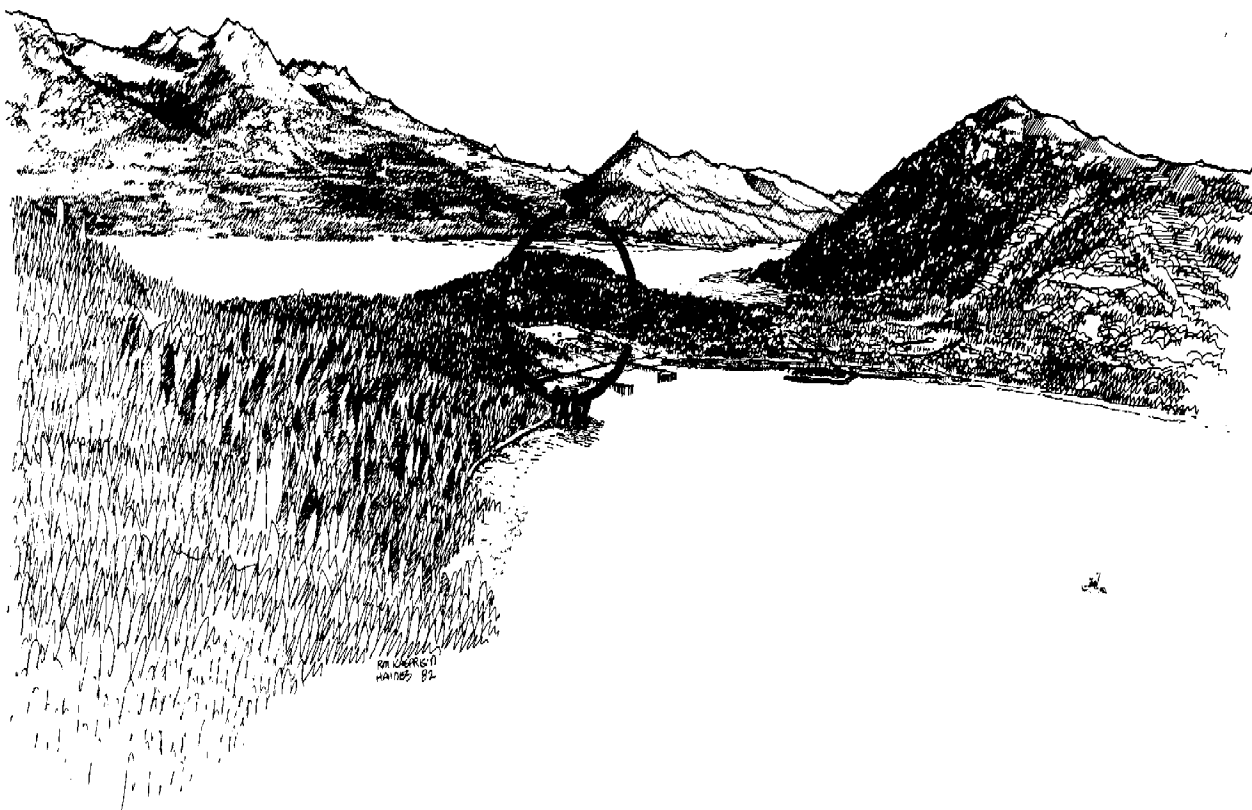
New Construction/Facilities

Float Dock and Gangway Ramp 2,100 s.f. x 30.00 . . . . .	63,000
Railing . . . . . 550 ft. x 12.00 . . . . .	6,600
Light Standards . . 10 @ 400.00 . . . . .	4,000
Power Service . . . . .	6,400
Community Work/ Storage Buildings 2,400 s.f. x 40 . . . . .	96,000
Dock Hardware . . . . .	2,400

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Subtotal	395,000
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Multiplier 1.55 (wage and cost factor, escalation/inflation, architect/engineer fees) . . . . .	<u>.612,250</u>
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design  
district 5

upper fort william h. seward

• District 5: Upper Fort William H. Seward.

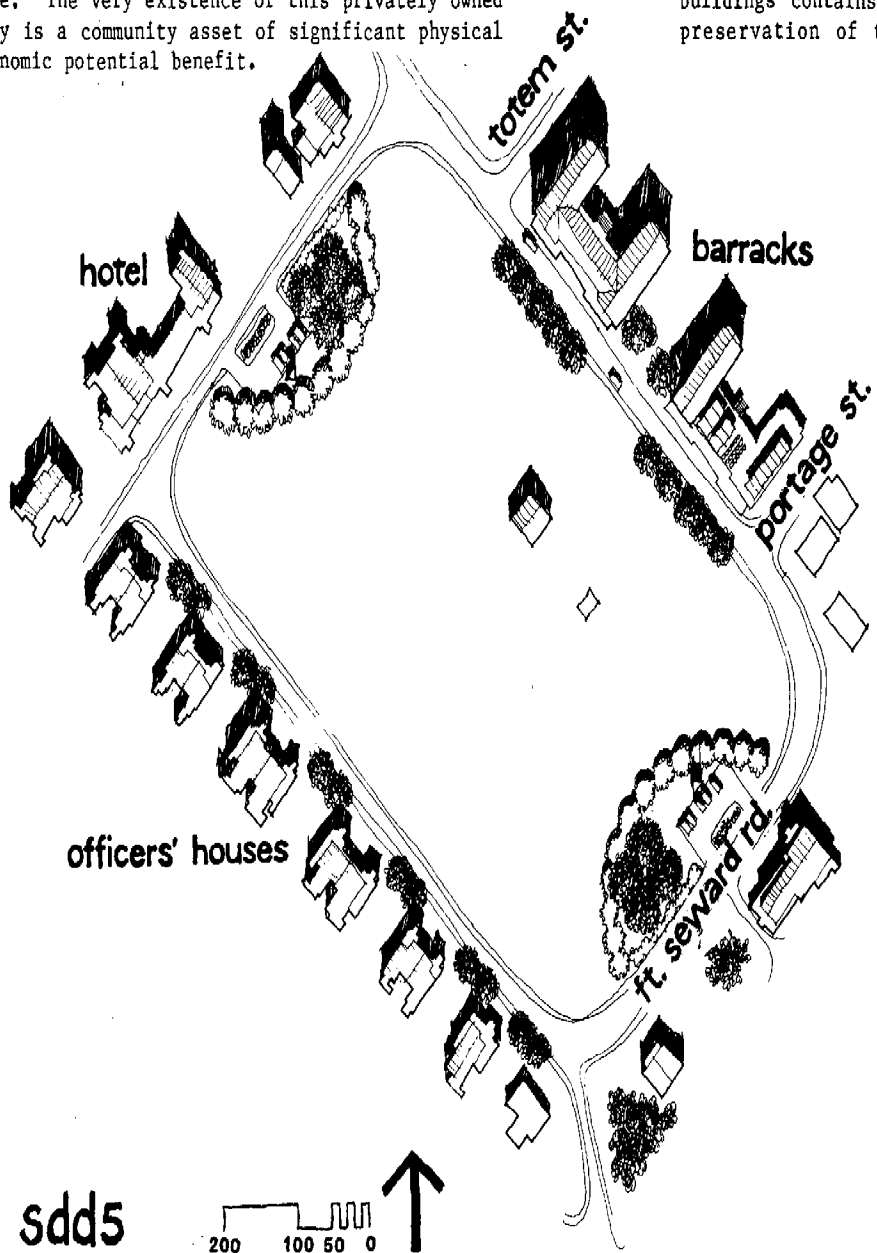
Organizing Structure or Principle

The parade grounds is the organizing structure for the upper fort. This open space has as its edge, the most significant residential and administrative buildings of Historic Fort William H. Seward. The slope of the parade grounds decreasing in elevation from Officers' Row to the barracks buildings, becomes a visible foreground to the elegant architecturally significant residences on the upper slope. The nearby forested areas and distant mountain range combine to create one of the most dramatic backdrops for any community anywhere. The very existence of this privately owned facility is a community asset of significant physical and economic potential benefit.

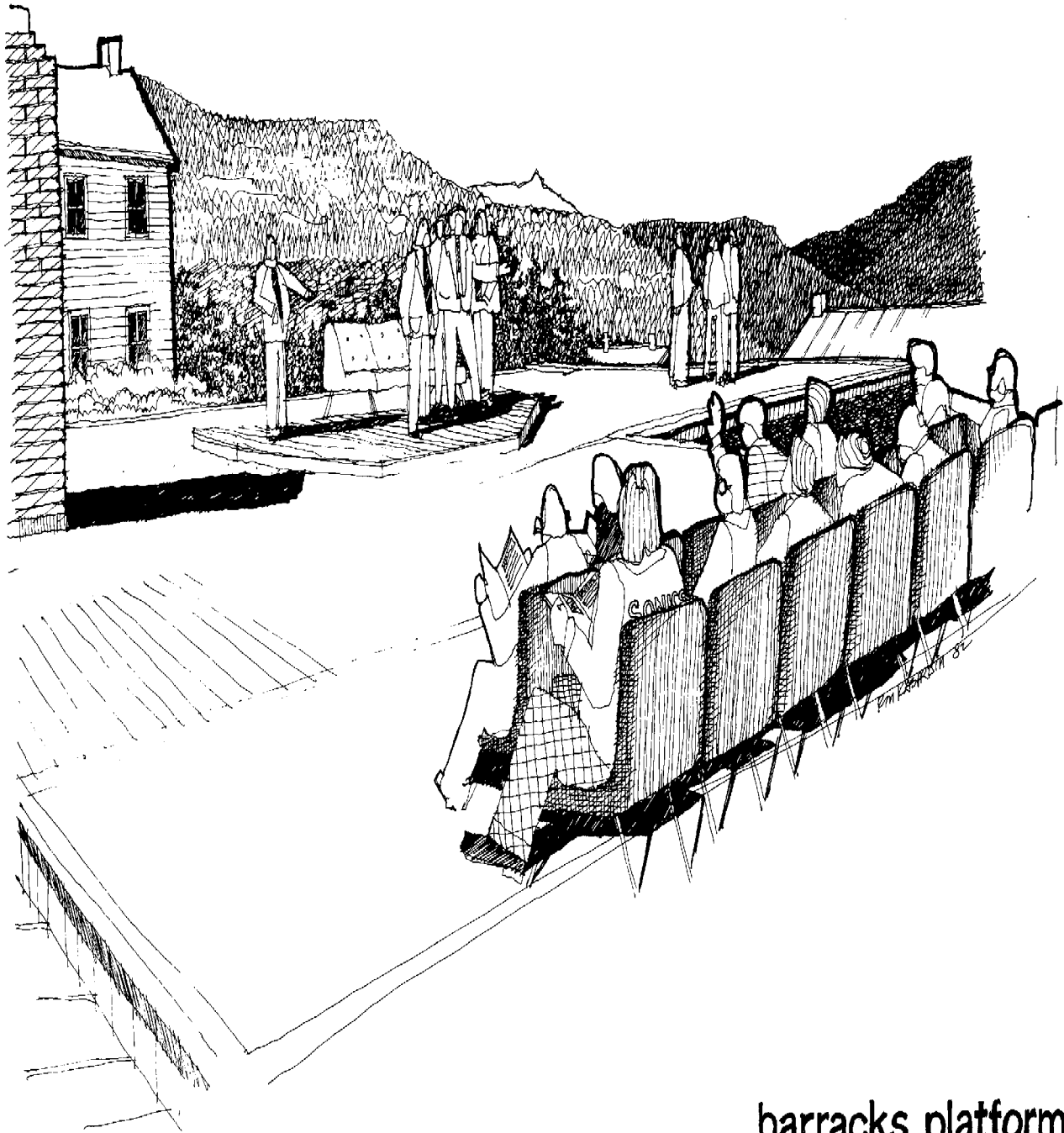
Primary Uses and Design Features

The upper Fort Seward complex, defined by and organized around the parade ground, is a neighborhood unit of diverse housing types dominated by Officers' Row. This area should remain as such while recycling the barracks buildings for use by a major events user discussed earlier (University Conference Grounds, Visitor Center).

- preserve all building structures adjacent to the parade grounds in a manner maximizing the original architectural character of those structures. None of the Fort Seward Road loop buildings contains uses incompatible with the preservation of the historic architecture;



- restore the existing barracks building to its original architectural character assuming necessary contemporary modifications for health and safety requirements in a public assembly building;
- reconstruct the demolished barracks structure similar to the existing structure in a phased manner if required by financial constraints;
- limited parking facilities should be developed at the ends of the parade grounds across from the Halsingland Hotel and the Alaska Native Arts Center. These areas should be landscaped with lower-type vegetation;
- landscaping with flowering trees should occur along Fort Seward Road loop in a manner not obstructing views from the residences.



barracks platform

# funding sources

## • RESTROOM FACILITY AT BARRACKS PLAZA

### Design and Engineering

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

Budget Estimate: \$1,500

Purpose: Compatible design with the historic Fort  
Seward area including Schematics, Design  
Development, Construction Drawings and  
Engineering

### Construction Funding

CITY OF HAINES  
MAYOR AND CITY COUNCIL  
DIRECT APPROPRIATION

Budget Estimate: \$20,000

## • INFORMATION SIGN

### Design and Engineering

LOCAL CONTRIBUTIONS  
ALASKA VISITORS ASSOCIATION

Budget Estimate: \$1,400

Purpose: Design of Prototype sign, graphics, color  
selection, construction details.

### Construction Funding

LOCAL CONTRIBUTION, Alaska Indian Arts Center  
provides carved posts; Chamber of Commerce and  
other tourism groups provide cost for map, print-  
ing, and map case; high school students provide  
installation with City of Haines supervisors.

ALASKA VISITORS ASSOCIATION

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.



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# implementation

## OVERALL IMPLEMENTATION PROGRAM AND STRATEGY

### Program Intent.

- To define the roles of city government and the private sector;
- to recommend a management structure for coordinated on-going implementation of specific projects;
- to recommend specific projects for implementation;
- to identify the funding sources and scheduling of these projects;
- to identify special strategies required to accomplish implementation.

The specific projects are listed and described within each appropriate SPECIAL DESIGN DISTRICT, along with recommended funding sources and project scheduling.

This section will discuss the role of city government and the private development sector, as well as a recommended review, decision-making and arbitration body necessary for successful implementation.

### Role of the City of Haines.

- the city of Haines should act as an administrative entity for public and/or private-public implementation efforts, including project packaging, funding, sponsorship and management;
- the city should make land available, where reasonable and in the community interest, for public and/or joint public/private development which is in the community interest.
- The city should provide public improvements and services in conjunction with and to facilitate private development which is in the community interest. Such improvements include:

streets and sidewalks

pedestrian amenities (benches, covered walks, landscaping, lighting)

utilities

drainage

- The city should assist the private sector in obtaining financing for projects in the community interest which enhance the overall economic climate of the AMSA and city.

- The city should enforce existing and newly accepted codes and policies, including such issues as:

derelict vehicles

vacant, abandoned structures

temporary and non-conforming uses and structures

- The city should provide project planning and project leadership.

The city should support and participate in a Southeast Alaska Regional Tourism organization to coordinate and unify promotional efforts for the region.

### Role of the Private Sector.

- The private development sector, composed of landowners, leasees and investors, should provide land, organizational structure and capital expenditures and adaptive re-use construction;
- Private development should provide urban design amenities, as suggested in the plan, on private lands which are compatible with public sector improvements and recommendations;
- The private sector should assemble reasonable development packages which respond to the economic market indicators of Haines and are compatible with community planning recommendations;
- The private sector should participate in and be responsible for the quality of development and the relationship of that development to the Special Design District guidelines.



## SUMMARY OF MANAGEMENT ACTIONS

### City of Haines.

- Adopt a contemporary Land Development Code;
- The city should establish special design districts, by ordinance, which identify and organize common development interests and objectives, coordinate public and private development efforts, and establish design policy and guidelines. These districts are as follows:
  - SDD1: Small Boat Harbor/Mission Preserve/Museum
  - SDD2: Tlingit Park/Lookout Park/Cemetery
  - SDD3: Transition District
  - SDD4: Upper Fort Seward
  - SDD5: Lower Fort Seward Influence Area

The design guidelines are discussed in each Special Design District as descriptive text.
- incorporate the AMSA into the Land Development Code as a new zoning district;
- after additional community review, adopt the design guidelines for the Special Districts as city planning policy;
- reinforce the upper Fort William H. Seward Special Design District as an historic district;
- establish the lower Fort William H. Seward Special Design District as the Fort Seward Influence Area, aimed at preservation through adaptive re-use, economic development, new construction and overall design compatibility with Fort William H. Seward;
- survey and record all historic buildings in Haines.
- develop a master list of accessible design professionals (architects, urban planners, landscape architects) capable of serving on a technical review committee in the role of arbitrators and negotiators when conflicts arise; this is not a permanent on-going body;

- The city should establish a Development Review Council, appointed by the Mayor and representative of each special district, the city, and community interests.

The Development Review Council will act as an advisory board to the Planning Commission on matters specific to the AMSA. The Development Review Council will coordinate special district interest groups, owners associations, development corporations and individual development efforts regarding land use, physical design and adjacent use relationships.

A technical review committee should be established to provide assistance to the Development Review Council in matters relating to engineering, architecture, site design, performance standard criteria; this committee could be assembled on request to arbitrate difficult decisions on matters in conflict.

- the city should establish a visitors bureau with a full time paid staff secured by a variety of funding sources. These sources could include but are not limited to a transient bed tax, the city General Fund, and the Division of Tourism grant program.
- the city should undertake an updated comprehensive plan for the City of Haines which includes a downtown improvement component.
- the private sector should support, through funding and personnel, the City of Haines visitors bureau.

### Public/Private Management.

- Establish a Local Development Corporation;
- attract outside investors with Investment Tax Credits for the rehabilitation of significant structures;
- explore a SBA 502 Loan Program using a Local Development Corporation to:

commit small business enterprises to space, creating \$500,000 in loans per small business; assemble a number of small businesses to increase the scale of the loan;

develop 50-100% of a given block or blocks along Beach Road in the lower Fort Seward Special Design District.

- The City of Haines and the owners' association for the upper and lower portions of Fort William H. Seward should undertake a detailed needs analysis study for a Special Education Facility. This facility should be attached to a university system, either a university level degree program or a community college program, and should be separate and distinct from existing available programs in the region and state. Suggested parameters for such a needs analysis should include but not be limited to the following:

University and/or community college administration;

non-competitive with local, regional and state programs, existing or proposed;

concerned with visual arts, cultural and theatre arts programs specific to the area and existing facilities;

marketable to local, regional, state-wide and lower 48 participants and university programs based on the national and state festivals already planned;

based on a curriculum session length ranging from two weeks to nine months; special emphasis should be given to two week through three month programs attracting students, teachers and professionals having available vacation periods;

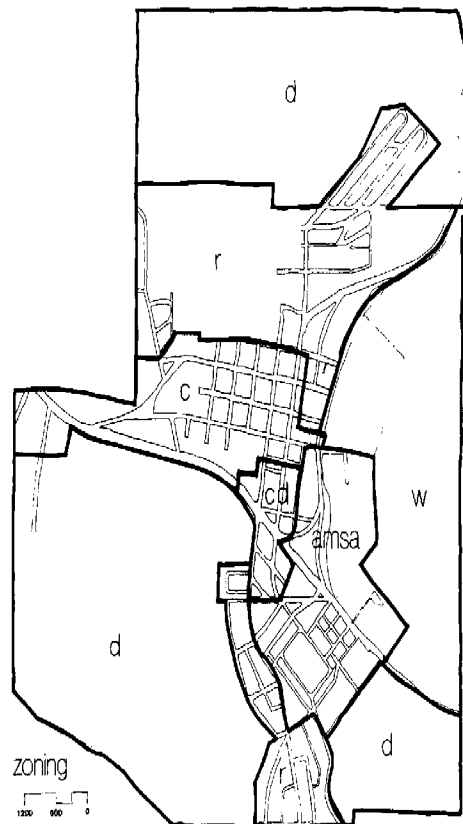
mutually benefiting side trips to other Southeast Alaska cultural and educational programs and facilities should be considered as an integral part of the program.

## zoning

On August 19, 1982 the City Council of Haines approved the new land Development Code proposed by the Wickersham Alaska Corporation and modified and revised for approval by the City of Haines. The Area Meriting Special Attention has been designated as a zoning district within the Land Development Code describing AMSA in terms of the Fort William H. Seward Significant Structures area, the Fort William H. Seward area of influence and the waterfront area. The designation of Special Design Districts within AMSA to direct and influence development decisions is an integral part of the overall management role of the new code.

The coordination of both on-going planning efforts, AMSA study and the Land Development Code, by the City of Haines is a significant early implementation success for the city.

The zoning map illustrated below represents a significant change in the City's approach to land use management.



- Parade Grounds Landscaping and Parking areas (not to be completed separately);
- Barracks Promenade from Beach Road to Fort Seward Road, involving a combination of improved service road/pedestrian way on City property and a stepped plaza on private lands;
- landscaping along Soap Suds Alley greenspace;
- information signs;
- pedestrian lighting;
- common off-street parking utilizing portions of publicly owned alleys and private property;
- cooperative snow removal.

#### SUMMARY OF DEVELOPMENT PRIORITIES

Priorities for projects in areas owned or leased by the City of Haines include the following:

- Tlingit Park Cemetery Retention Wall and Stairs;
- Tlingit Park Cemetery Restoration;
- Waterfront Pedestrian Way, including Small Viewing Platforms, Phase I: at Small Boat Harbor;
- Lookout Park Waterfront Recreation Area;
- Waterfront Pedestrian Way, including Small Viewing Platforms, Phase II: From Lookout Park to the Port Chilkoot Dock;
- Fort William H. Seward Waterfront Park and Parents-Watch/Visitors Platform.

Projects involving the City of Haines and the private development sector are dependent on more time variables due to market, ownership and investment factors. As private development projects are assembled and begin planning and schematic design stages, the timing of joint public-private improvements within the AMSA can be specifically prioritized. Some of these projects include:

#### OVERVIEW OF FUNDING TOOLS

##### Federal Resources.

Funding resources programs are available from the Small Business Administration (SBA), Farmers Home Administration, HUD, EDA and Coastal Zone Management. Several of the programs are loan programs and others are grant programs. While funding is limited, federal programs still offer potential assistance over the next decade.

##### SBA's 502 Program, Loans to Local Development Companies (LDC)

The 502 Program, authorized under Section 502 of the Small Business Investment Act of 1958, is a program which permits the SBA to make loans to state and Local Development Companies (LDC's) for use in assisting specific small businesses. The SBA may lend up to \$500,000 for each small business that is to be assisted. For example, if Haines created a Local Development Corporation, and intends to develop a project which would incorporate space for six separate small businesses, SBA would be authorized to loan or guarantee loans up to a maximum of three million dollars. This program, therefore, would offer a significant latitude to the HDC in their efforts to undertake relatively large-scale projects. The 502 Loan may be used to help small firms to construct, modernize, or expand their businesses.

The Haines Development Corporation could be organized and controlled by individuals who reside or do business in the community; however, in no case may ownership and control be less than 75% of local businessmen. Also, no more than 25% of the ownership or control of the HDC may be held by a single individual or his or her affiliates if he or she and affiliates have a pecuniary interest in the project to be developed or by the holder of any interest in a small business being assisted. In other words, the HDC could be a profit or nonprofit corporation comprised of no less than 25 concerned businessmen interested in promoting and assisting the growth and development of small businesses in the community and Fort area. Loans made to the HDC may be used to help the company buy land, build a new facility, convert an existing plant, or construct visitor-oriented retail space, provided the project will assist specific small businesses or in the case of a retail center, several small businesses.

The Haines Development Corporation may be used effectively in several ways. For example, it may be the developer in a downtown commercial project or it could, in cooperation with the City, acquire land and buildings in the Fort area for the purpose of providing new, expanded, or improved space for local small business enterprises. It could then enter into long-term leases, purchase-lease agreements, or actually sell the development to these identifiable small businesses. A significant limitation that must be considered when using the SBA 502 program is that specific identifiable small business enterprises must be committed to occupying the space prior to financing by the HDC.

Basically, there are four alternative methods for obtaining SBA assistance in the above-described loans through the HDC:

A bank loan guaranteed by SBA up to 90% of the loan or \$500,000, whichever is the lesser per small business.

A bank loan with immediate participation by the SBA.

- A bank first-mortgage loan and SBA direct second-mortgage loan.
- Direct participation from SBA.

In the last two instances, with direct participation from the SBA, the loan interest rate would be at a level of below market interest rate. Though these funds are limited, they are available, and with continued effort SBA will provide the direct assistance. Typically, the legal and reasonable current rate will be permissible on the bank loan. At this time there is a ceiling on SBA-guaranteed bank loans. The maximum maturity for any of the above-described loans is 25 years plus the estimated time required to complete the construction, conversion, or expansion. Usually a lien on the fixed assets acquired with loan proceeds is used as the collateral to reasonably assure repayment of the loan.

#### Farmers Home Administration, Business and Industry Loan Program, and Community Facility Loans and Grants

The Farmers Home Administration offers two programs that are of interest to the City. The first program is the Farmers Home Administration Business and Industry Loan Program. Generally, this assistance is provided as a loan guarantee whereby FmHA contracts to insure reimbursement to the lender an amount not to exceed 90% of principle and interest. Lenders are responsible for making and servicing the loans. In some special cases where a guaranteed loan is not available, FmHA may directly make and service the loan.

Any legal entity, including individuals and public and private organizations, may borrow through the Business and Industry Loan Program of FmHA. The basic purposes of the Business and Industry Loan include developing or financing business or industry, increasing employment, and controlling or abating pollution. Within this framework, uses include but are not limited to:

Financing business and industrial construction, conversion, acquisition, and modernization.

Financing the purchase and development of land, easements, equipment, facilities, leases, machinery, supplies or materials, and custom feed lots.

Supplying working capital and funds.

The 90% guarantee is an assurance to protect the investor and may cover up to 90% of the principal and interest of the guaranteed note. The guarantee fee will be one percent of the principal loan amount multiplied by the percent of guarantee, paid one time

only at the time the loan note guarantee is issued. It is important to note that the applicant will be required to provide sufficient cash or other assets to provide reasonable assurance of a successful project. Ordinarily a minimum of 10% equity at loan closing will be required. The FmHA Business and Industry Loan Program has a final maturity that does not exceed 30 years for land, buildings, and permanent fixtures; 15 years for machinery or equipment or the life of the machinery or equipment, whichever is shorter; and seven years for working capital. Interest on all loans will be due at least annually after the loan is closed.

For Guaranteed Loans the interest rate may be fixed or variable and will be determined by the lender and the borrower, consistent with the market rate. The interest rate on loans made by Farmers Home Administration will be computed on cost of treasury borrowing plus an increment to cover administrative costs.

Several alternative methods could sensibly and practically be undertaken with respect to the FmHA Business and Industry Loan Program. For example, the HDC could be the recipient of an FmHA Direct or Guaranteed Loan and, similar to the effort described in the preceding SBA 502 program description, the HDC could be the developer on behalf of an identified business or series of businesses within the lower Fort area. Again in this case, as with SBA, FmHA would require a clear commitment of the businesses to be involved in the project. This program is appropriate for both industrial and commercial efforts. FmHA and SBA have an agreement that where the proposed loan meets the guidelines of SBA, SBA would be the agency with whom the HDC deals. The major advantage of using the FmHA program is that there are no limitations on the size of business to be assisted.

The second program offered by Farmers Home Administration, and of significant benefit to the city, is the Community Facility Loan and Grant Program. This program is directed to assisting local communities in the development and installation of essential community facilities for maintaining, expanding and improving vital community facilities. Particular attention and priority are given projects which will benefit the local community in maintaining or expanding employment opportunities for local community residents. This program activity would be directed to the provision of improved and expanded community facilities servicing the Haines waterfront tourism and recreational areas. This loan would represent an encumbrance upon the City's debt limitation. It is, however, unlikely that

the City would find this financing mechanism more desirable than a G.O. Bond issue.

#### HUD's Community Development Block Grant Program, Small City Program and Section 312 Rehabilitation Financing Program

The Small Cities Program is an improvement of HUD's original discretionary grant program in which many small cities now participate. It is a program which permits the use of 100% federal grant resources for the purpose of improving the overall community environment, principally to the benefit of low- and moderate-income citizens. The program is often used by cities in improving and rehabilitating one or more of its more deteriorated residential neighborhoods. The resources can be used to acquire dilapidated buildings and either demolish or rehabilitate some for the benefits of low- and moderate-income residents. It is also used to improve existing community facilities including water, sewer, streets, sidewalks, alleys, curbs and gutters, etc. More importantly, other activities that may be supported are Waterfront Redevelopment, including such activities as: pedestrian amenity improvements; land acquisition for parking or new commercial construction; improved circulation; and other economic development activities, including the assistance of the Haines Development Corporation in the encouragement of new commercial development opportunities and expansion of existing commercial enterprises. The Small Cities Program may be used for providing the necessary seed money to the HDC for the purposes of such redevelopment or expansion. The Small Cities money may also be used for undertaking necessary redevelopment studies, market feasibility, parking feasibility, and final urban design of necessary improvements to the waterfront area. It must be remembered, however, that with a Small Cities Program, the emphasis is on directly and principally benefiting low- and moderate-income citizens. Programs, particularly those without a housing component, are unlikely to receive assistance under the program.

HUD Community Development Block Grants are now under the authority of the state. The State of Alaska is utilizing a technical assistance grant to reorganize the program. Due to commitments of \$.5 million dollars each to Kodiak and Juneau by the federal government for FY 81, 82, 83, only \$315,000 remains available in the Small Cities Program for FY 83. Haines should prepare funding applications for FY 84. Future grant amounts are unknown and cannot be projected at this time.

HUD's Section 312 Rehabilitation Financing Loan Program is a program that is available for the purpose of providing low-interest loans for rehabilitation of both residential and commercial properties. It is only available to property owners in cities that are actively participating in the HUD Community Development Block Grant Program. In most cases, the 312 Loan Program is available for both residential and commercial rehabilitation activities. The 312 program is a program which provides interest loans to owners of residential or commercial property for the purpose of rehabilitating both the interior and exterior of residential or commercial structures. In the case of non-residential (commercial) loans for structural rehabilitation, the maximum total loan that may be made to the borrower shall not exceed the lesser of: the rehabilitation cost, \$500,000, or 80% of the value of the property after rehabilitation. It is important to note that a non-residential loan may not be used to pay off existing debt. The Rehabilitation Program may also be used in downtown areas for Mixed-Use Loans which would include those structures which incorporate both commercial and residential uses. This would permit an owner to improve not only his store but any second-rate apartment units that may be in place at the given interest rate.

#### EDA's Public Works Assistance Program and Business Development Program

This program is funded until the end of FY82 (three months left) and may be budgeted at a lower level. Until a clarification is made by Congress, this is presented with a "maybe" label. Many small cities, as local units of government, are "growth centers" within an Economic Development District and are eligible to participate in the EDA Public Works Assistance Program in a 60% (or more) grant program directed toward funding such projects as:

Making land suitable for industrial or commercial use by providing utilities, access, and site preparation.

Building facilities and providing equipment for job training programs.

Improving public facilities at airports and harbors.

Providing in very poor communities the basic infrastructure that is prerequisite to initiating or stimulating economic development.

Renovating inner city buildings for special development purposes.

Building or improving publicly-owned recreational facilities to build up the area's tourism industry.

Improving the appearance or efficiency of public facilities in rundown congested areas.

These types of projects are evaluated by the amount and quality of the socioeconomic benefits that can be expected in return for federal investment. In many cases, the EDA Public Works Assistance Program can effectively be used as a mechanism for improving the vitality and competitiveness of an industrial project. This EDA program may be effectively used to provide streets, sewers, water, and other necessary public facilities directed toward improving economic development opportunities. The EDA has also been slated for elimination by the new federal administration, and its future is uncertain.

Another EDA program that would provide practical assistance to the community is the Business Development Program. The Business Development Program is a basic tool that EDA uses to help private business preserve existing employment or to expand or locate new facilities in areas designated by EDA as eligible to receive such assistance under the Public Works and Economic Development Act. Under the Business Development Program, EDA may provide direct loans to: a business enterprise which may be a sole proprietorship, partnership, or corporation; a nonprofit organization or association; or a municipality. In addition, EDA may guarantee loans and leases to the above-listed entities. Typically, EDA limits their maximum financial assistance for any particular project to an amount of \$10,000 of investment per job created or served. Therefore, unlike SBA and FmHA, the Business Development Program of EDA uses the \$10,000 per job created as an investment limitation upon their involvement in an industrial or commercial development project. However, again unlike SBA, the EDA Loan Program does not place a limitation on business size as a criteria for program participation. Therefore, the use of the EDA program permits a greater degree of flexibility in both loan guarantees and direct loans to business and industry in the project area. The following activities are permissible under the Business Development Program:

Direct fixed asset loans are provided for land acquisition and site preparation, the purchase or

construction of buildings, and the acquisition and installation of machinery and equipment. EDA is willing to take a subordinate security position which, when combined with the long-term repayment and usually low interest rate, makes these loans attractive to other lenders and investor participants.

Direct working capital loans are made only if other sources of working capital are not available and there is evidence that the loan will have sufficient economic impact on the distressed area. Such loans are available to businesses that have experienced or may be reasonably foreseen to experience temporary but severe problems involving actual or potential job loss for reasons including, but not limited to, the closing of federal installations, environmental orders resulting in plant shutdowns, and federal energy policies.

Fixed asset loan guarantees are available to private lending institutions and provide eligible applicants with fixed asset financing. These guarantees may not exceed 90% of the outstanding balance owned to the financial institution.

Working capital loan guarantees not to exceed 90% of the outstanding balance are available to private lending institutions to provide working capital financing.

Lease guarantees are available to guarantee rental payments of leases for buildings and equipment, except that no such guarantee shall exceed 90% of the remaining rental payments required by the lease.

The initial step the community would take in seeking EDA assistance is to arrange a meeting between their EDA Business Development representatives and representatives of the HDC. If the project is in harmony with the current guidelines, then a preapplication conference would be held. The EDA program is predominantly directed toward the private firm; however, the HDC should play a major role in directing their businessmen to the appropriate program necessary to improve their position. Therefore, as in the SBA and FmHA programs, the HDC becomes a major element in assisting local businesses to improve their market position and obtain potentially substantial financing advantages. It should be re-emphasized that this program and agency has been proposed for elimination by the current administration.

The State of Alaska Division of Tourism has two loans available through the State of Alaska Convention Incentive Program. The first is a \$4,000 per community limit for tourism promotional materials and travel. The City of Haines, Alaska Visitor Association and Chamber of Commerce are all eligible recipients.

Skagway currently has \$18,000 in loans to promote tourism throughout the region, state and out-of-state. The Division of Tourism is encouraging southeast communities to form a SE regional organization to jointly promote the area, coordinate conferences, conventions and visitor industry activities in a manner benefiting more than one community.

Coastal Zone Management Program (CZM) is in its last year of federal operation. The priorities in CZM are to finish on-going programs, complete plan documents and support initial implementation efforts. Actual construction project funding is unlikely through CZM. More information will be forthcoming when the state budget is signed.

Direct State Appropriations is a significant means of acquiring grants. Members of the legislature need to be contacted directly regarding special projects.

#### Economic Recovery Tax Act of 1981

This act (Public Law 97-34) creates significant new incentives to encourage the preservation and reuse of historic buildings. The law basically repeals the existing preservation tax incentives and replaces them with a 25 percent investment tax credit. It also replaces the traditional system of depreciating real property over its useful life with an accelerated cost recovery system allowing investments to be recovered in 15 years. The new law also repeals the demolition provision enacted in the Tax Reform Act of 1976 that denied accelerated depreciation for a building constructed on the site of a demolished historic building. Federal income tax deductions are denied for demolition costs or losses associated with historic buildings.

#### Administration.

- o National Park Service (NPS)
- o U.S. Department of the Interior
- o Internal Revenue Service (IRS)
- o U.S. Department of Treasury

### Highlights.

- Only "qualified" rehabilitation is eligible and qualification should be determined prior to commencing work;

- effective 1 January 1982;

- tax credits are as follows:

15% for structures at least 30 years old;

20% for structures at least 40 years old;

25% for certified historic structures;

- conditions for qualifications:

structure has been substantially rehabilitated;

structure was in use prior to beginning the rehabilitation;

the building retains at least 75% of the existing external walls;

The ITC (Investment Tax Credit) is deducted from the amount of taxes owed in contrast to a deduction, which reduces a taxpayer's income subject to taxation;

- Eligibility for ITC includes the following:

ITC is available to both depreciable non-residential and residential buildings;

significant incentives exist for rental housing in historic buildings;

owner-occupied taxpayer's certified building can take ITC for income-producing part of building;

the rehabilitation expenditures must exceed the greater of 1) the taxpayer's cost of the building plus capital improvements less depreciation (adjusted basis in property); 2) or \$5,000, within a 24-month period;

1 60-month period to meet rehabilitation test allowed when completion is set in stages based on architectural plans completed before the rehabilitation begins;

in the case of certified historic structures, the ITC can be deducted from taxes owed and, the entire cost of rehabilitation can be depreciated. When coupled with the additional 5-percent credit, the tax savings are substantial.

- Recapture:

if a rehabilitated building is held more than 5 years after rehabilitation there is no recapture of ITC;

if a rehabilitated building is disposed of less than one year after going in service, all of ITC is recaptured.

Years Held	% Recaptured
less than 1 yr.	100
1-2 yrs.	80
2-3 yrs.	60
3-4 yrs.	40
4-5 yrs.	20
5 or more	0

- Who gets the ITC?

owner(s) of eligible buildings;

an owner when a building is leased and used by a tax exempt organization or governmental unit such as the University of Alaska;

a lessee when lessee incurs costs, the rehabilitation is complete and the remaining term of lease is not less than 15 years.

- Tax Preference

taxpayer investors in the rehabilitation are not subject to a minimum tax penalty;

coupled with Straight-line Depreciation, ITC for qualified rehabilitation eliminates recapture problem associated with earlier tax incentives;



# EXAMPLE 1: OFFICE & APARTMENT BUILDING

Acquisition Cost	\$150,000
Land       \$ 40,000	
Building   110,000	
Rehabilitation expenses	125,000
1st year cost recovery ( $\$110,000 + \$125,000$ ) - 15 years	15,667
1983 tax liability (based on adjusted gross income over cost recovery & other deductions)	30,000
25 percent ITC $\$125,000 \times 25$ percent	31,250
ITC limit in 1983 $\$30,000 - \$25,000 = \$5,000$ . $\$25,000$ plus (90 percent x 5,000) = 29,500	29,500
ITC carried back to 1980 $\$31,250 - \$29,500$	1,750
Sale after 4 years	350,000
Cost recovery deductions over 4 years ( $\$15,667 \times 4$ years)	62,668
Adjusted basis of building + land ( $\$150,000 + \$125,000$ ) - $\$62,668$	212,332
Net profit for tax purposes $\$350,000 - \$212,332$	137,668
Capital gains tax at 20 percent $\$137,668 \times 20$ percent	27,534
Taxes paid due to recapture of ITC $\$31,250 \times 20$ percent	6,250

Source: Preservation News Supplement November, 1981.

# EXAMPLE 2: HIGHRISE BUILDING

Acquisition Cost	\$1,200,000
Land       \$600,000	
Building   600,000	
Rehabilitation costs	1,500,000
Limited partners (120 @ \$10,000)	1,200,000
Total project costs	2,700,000
1982 ITC (Total)	375,000
1982 ITC for limited partners ( $\$1.5$ million x 25 percent x 98 percent)	367,500
1982 Deduction for easement donation for limited partners: $\$600,000 \times 98$ percent	568,000
<u>Limited partner's tax treatment</u>	
ITC	
$\$367,500 - 120$	3,063
Tax savings due to ITC	
Easement donation deduction $\$588,000 - 120$	4,900
Tax savings due to easement donation: $\$4,900 \times 50$ percent bracket	2,450
Total Tax Savings 1st year $\$3,063 + (\$4,900 \times 50 \text{ percent})$	
Reduction in \$1,200,000 Basis attributable to gift of \$600,000 easement	
Adjusted Basis "Before" easement gift:	
Land               \$600,000	
Buildings         600,000	
Adjusted Basis "After" easement gift:	
Land               200,000	
Buildings         400,000	

Source: Preservation News Supplement November, 1981.

### Standards for Rehabilitation.

In the words of the 1981 law, "consistent with the historic character" of the structure and the district in which it is located.

(1) Every reasonable effort shall be made to provide a compatible use for a property that requires minimal alteration of the building, structure or site and its environment, or to use a property for its originally intended purpose.

(2) The distinguishing original qualities or character of a building, structure or site and its environment shall not be destroyed. The removal or alteration of any historic material or distinctive architectural features should be avoided when possible.

(3) All buildings, structures and sites shall be recognized as products of their own time. Alterations that have no historical basis and which seek to create an earlier appearance shall be discouraged.

(4) Changes that may have taken place in the course of time are evidence of the history and development of a building, structure or site and its environment. These changes may have acquired significance in their own right, and this significance shall be recognized and respected.

(5) Distinctive stylistic features or examples of skilled craftsmanship that characterize a building, structure or site shall be treated with sensitivity.

(6) Deteriorated architectural features shall be repaired rather than replaced, wherever possible. In the event replacement is necessary, the new material should match the material being replaced in composition, design, color, texture and other visual qualities. Repair or replacement of missing architectural features should be based on accurate duplication of features, substantiated by historic, physical or pictorial evidence rather than on conjectural designs or the availability of different architectural elements from other buildings or structures.

(7) The surface cleaning of structures shall be undertaken with the gentlest means possible. Sand-blasting and other cleaning methods that will damage the historic building materials shall not be undertaken.

(8) Every reasonable effort shall be made to protect and preserve archeological resources affected by, or adjacent to, any project.

(9) Contemporary design for alterations and additions to existing properties shall not be discouraged when such alterations and additions do not destroy significant historical, architectural or cultural material, and such design is compatible with the size, scale, color, material and character of the property, neighborhood or environment.

(10) Wherever possible, new additions or alterations to structures shall be done in such a manner that if such additions or alterations were to be removed in the future, the essential form and integrity of the structure would be unimpaired.

### The Secretary of the Interior's Standards for Evaluating Structures within Registered Historic Districts.

The NPS uses the "Standards for Evaluating Structures within Registered Historic Districts" to determine whether a structure within a registered historic district is of historic significance to the district. The SHPO also uses these standards to make certification recommendations to the NPS.

(1) A structure contributing to the historic significance of a district is one which by location, design, setting, materials, workmanship, feeling and association adds to the district's sense of time and place and historical development.

(2) A structure not contributing to the historic significance of a district is one that detracts from the district's sense of time and place and historical development; or one where the integrity of the original design or individual architectural features or spaces have been irretrievably lost; or one where physical deterioration and/or structural damage has made it not reasonably feasible to rehabilitate the building.

(3) Ordinarily structures that have been built within the past 50 years shall not be considered eligible unless a strong justification concerning their historical or architectural merit is given or the historical attributes of the district are considered to be less than 50 years old.

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